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REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

Establishment of a transparent and effective system of accountability and responsibility

Report of the Secretary-General

I. INTRODUCTION

1. By paragraphs 4 and 5 of its resolution 48/218 A.I, section E, of 23 December 1993, the General Assembly, inter alia, endorsed the recommendations of the Committee for Programme and Coordination (CPC) on the establishment of a transparent and effective system of accountability and responsibility no later than 1 January 1995, as contained in paragraphs 243 to 245 of its report, 1/ and requested the Secretary-General to include in the system of accountability and responsibility the following elements, taking into account relevant experiences within and outside the United Nations system:

(a) The establishment of clear responsibility for programme delivery, including performance indicators as a measure of quality control;

(b) A mechanism ensuring that programme managers are accountable for the effective management of the personnel and financial resources allocated to them;

(c) Performance evaluation for all officials, including senior officials, with objectives and performance indicators;

(d) Effective training of staff in financial and management responsibilities.

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* A/49/150.

2. The General Assembly further requested the Secretary-General to submit a report on the establishment of the system to the General Assembly at its forty-ninth session through CPC and the Advisory Committee on Administrative and Budgetary Questions (ACABQ). The present report is submitted in response to those requests.

3. At its forty-eighth session, the General Assembly also had before it an interim report of the Joint Inspection Unit (JIU) on accountability and oversight in the United Nations Secretariat and the comments of the Secretary-General thereon. 2/ In resolution 48/218 A, the General Assembly also took note with appreciation of the report of JIU and the comments of the Secretary-General thereon.

4. With a view to providing an appropriate response to the expectations of Member States, and bearing in mind their comments on this and related items during the thirty-third session of CPC and the forty-eighth session of the General Assembly, as well as the interim report of JIU on accountability and oversight in the United Nations Secretariat and the comments of the Secretary-General thereon, a process of Secretariat-wide consultations was launched on the concrete measures to be taken by January 1995. This involved seeking the views of all heads of departments, offices, programmes and regional commissions of the Organization, both at Headquarters and elsewhere, as well as the views of the staff representatives. An interdepartmental task force was then convened to discuss, elaborate and submit proposals. These proposals were subsequently reviewed by the Advisory Panel on Management and Finance (see also para. 39 below).

5. It was recognized that, when programme managers in the Organization are given responsibility for the implementation of programmes and if they are to be held accountable for the delivery of related outputs, they must also be entrusted with the corresponding resources, and given authority commensurate with their level of responsibility and accountability. The system of managerial accountability and responsibility to be established for the United Nations must also address, therefore, the issue of the delegation of authority.

6. The system must effectively frame all aspects of the operation of the Organization, taking an integrated approach. Such a system must also lend itself to a "process-system" approach, i.e. one that is dynamic rather than static. On that basis, the processes of assigning responsibility, delegating authority and ensuring accountability will represent a flow of interrelated actions towards the achievement of clearly defined objectives. An established set of procedures will ensure adequate monitoring and control.

7. The scope of the system of accountability and responsibility will not be restricted in its application to senior officials only, i.e. to under-secretaries-general, assistant secretaries-general and directors. The principles of responsibility, authority and accountability should in fact govern the conduct of the entire staff. Similarly, the scope of the system will not be restricted to Headquarters. It will extend to offices away from Headquarters, the regional commissions, peace-keeping and other field operations. Finally, due regard will be paid to the fact that several elements of a United Nations

system of accountability and responsibility must be considered in the context of the common system applicable to the United Nations and the specialized agencies.

8. In the context of the Organization, the three concepts of responsibility, authority and accountability underlying such a system are interpreted in the following way.

A. Responsibility

9. The responsibility for administering the Organization is entrusted under the Charter of the United Nations to the Secretary-General as its chief administrative officer. Responsibility for achieving the strategic imperatives of the Organization is then assigned through the successive levels of management throughout the hierarchy of the Secretariat, as appropriate, to the senior officials/heads of programmes of the Organization, and the officers whom they supervise, and finally, to all other staff.

B. Authority

10. Once responsibility has been assigned, managers must have the human and financial resources and the corresponding authority - the legitimate power delegated to each established position of management within the Secretariat - to carry out the tasks entrusted to them. This includes managers' authority to make decisions, to direct their staff and to expend the resources allocated for the delivery of their mandated outputs, i.e. to implement the programme for which they are accountable. Once there is delegation of authority, it must be respected by all concerned.

C. Accountability

11. Once there is a clear understanding of the responsibilities assigned at all levels of the Secretariat and the requisite authority has been delegated with which to carry out the tasks, and provided that resources appropriate to those tasks have been approved, the outcome - whether successful or not - will be attributed to the efforts of the one to whom the task has been assigned. Accountability will be in direct proportion to the responsibility assigned and the authority delegated.

II. FRAMEWORK OF A SYSTEM OF ACCOUNTABILITY AND RESPONSIBILITY

12. Authority and responsibility for the implementation of the United Nations programme of activities flows from the Organization's principal policy-making organs to the Secretary-General and, through him, to the senior officials of the Secretariat and through the successive hierarchic layers to the staff at large. The required capacity and expertise of the staff and the managers concerned must at all levels correspond to the responsibility assigned and authority delegated and must be balanced by full accountability through the operation of appropriate

mechanisms. An efficient organizational oversight machinery will monitor the operation of the system and will conduct audits, inspections, evaluations and investigations, as well as cooperate with the external oversight machinery serving the General Assembly. The systematic control of the interrelated processes of responsibility, authority and accountability will provide the key to the success in achieving the goals of the Organization and contribute to the Organization's effectiveness and efficiency, as well as to enhanced performance and increased productivity. This process-system is outlined in the chart contained in the annex to the present report.

13. An effective, integrated system is based, therefore, on the following premises: responsibility must be clearly defined; managers and staff must have the resources and authority to carry out their respective responsibilities effectively; accountability must be established at all levels through appropriate mechanisms. This process-oriented approach will be supported by strengthening accountability mechanisms that include a bona fide reward system to motivate staff at all levels, as well as sanctions, namely legitimate and viable administrative measures for non-performers.

III. RESPONSIBILITY AND AUTHORITY

A. Clear definition of responsibility for achieving strategic imperatives

1. Mandates and directives

14. For a system of accountability and responsibility to be effective, the responsibilities of the Secretariat, its senior officials, directors and staff at all levels must be clearly defined. The application of this principle starts with the Secretary-General and his senior colleagues, in order to achieve the strategic objectives mandated by Member States through the intergovernmental bodies, primarily the General Assembly, the Security Council and the Economic and Social Council. In this regard, the very foundation for the mission of the Organization can be found in the Charter of the United Nations, whose provisions define a framework for the Member States to set their goals for the Organization. These goals form the basis for the development of the work programme of the United Nations.

15. Two essential management tools are available to the Secretary-General and his senior managers in this connection. One is the medium-term plan, the principal policy directive for the work of the Organization, which sets out the objectives to be achieved during the plan period and from which the biennial programme budgets are derived, serving as their framework. The other tool is the programme budget itself, which provides an inventory of the outputs, services and activities to be delivered during the biennium, in relation to the resources appropriated by the General Assembly for that purpose and the estimates of extrabudgetary resources for that period.

16. These two instruments have been recognized by both the Member States and the Secretariat as requiring major improvement. A general lack of precision in the stated objectives of the medium-term plan in its existing format precludes

measuring the impact of programmes adequately. Despite the importance attached to the plan by Member States, CPC has noted that in its present form it is little used and that its impact on the work of the Organization is limited. As conceived until now, it is not a document that can be used to ascertain or establish accountability easily.

17. As to the programme budget, clearer statements of objectives to be obtained during the budget period are needed, as well as a clear definition of the relationship between the outputs, services and activities programmed on the one hand and the attainment of these objectives on the other. As of now, no mechanism exists to enable programme managers to refocus their objectives, on an annual basis, and to make the necessary adjustments in their work programmes so as to address the changing demands on the Organization, which have become more and more frequent. Furthermore, a clear link between the programmes and the existing or proposed organizational structure of the Secretariat is lacking in the programme budget, which precludes its use as an instrument to establish accountability, both in terms of programme implementation and resource utilization.

18. As mandated by the General Assembly in its resolutions 47/214 and 48/218 A, a prototype for the medium-term plan is being prepared for submission to the forty-ninth session of the General Assembly through CPC. In its new format, the medium-term plan will provide for more clearly defined objectives that will be result-oriented, so as to facilitate a clearer understanding of what is to be achieved and a subsequent assessment thereof. The new medium-term plan should reflect a congruence of the programme structure with the organizational structure of the Secretariat, so that both programme managers and Member States fully understand the objectives and strategies approved by the General Assembly for the plan period in each area of responsibility.

19. At the same time, the budget instructions provided to guide programme managers in the preparation of their submissions for the proposed programme budget for the biennium 1996-1997 will be designed to achieve improvements in the programme budget. This will involve clearer indications of lines of responsibility for implementation of the work programme, the provision of organigrams showing in greater detail the allocation of responsibility for such implementation and a better definition of the activities programmed. Most importantly, the design of the programme budget for the biennium 1996-1997 will link more clearly the resource-allocation process - budgeting - to the Organization's strategic imperatives, as identified in the medium-term plan.

2. Definition of the statutory and organizational framework of the Organization

20. The legislative norms to which staff members at all levels are to be made accountable must be clear, unambiguous, coherent, comprehensible, duly promulgated and available to both the supervisors and those supervised. However, this can be accomplished only if the established hierarchy of the internal laws of the Organization is, at all times, recognized and respected.

21. The proper hierarchy for the United Nations normative instruments consists of the following: the Charter of the United Nations; regulations adopted by the General Assembly; resolutions of the General Assembly and other principal organs having legislative competence; regulations adopted by subsidiary bodies of the United Nations upon delegation from the General Assembly; rules established by the Secretary-General and, by delegation, the executive heads of subsidiary bodies and other programme managers; and selected bulletins and administrative instructions that set forth the procedures and modalities for the implementation of these norms.

22. A review already in progress has demonstrated the need to revise and formalize the rule-making practices and procedures of the Organization so that, among other things:

(a) The legislative hierarchy is consistently observed and complied with;

(b) Norms and administrative issuances are reviewed and updated on a regular basis;

(c) All issuances are published and disseminated in a manner that facilitates easy reference.

23. It has therefore become imperative that the Secretariat undertake the task of identifying particular areas within this legislative framework that should be consolidated and reproduced in a form that permits reasonably easy reference, retrieval and updating. As of now, the review includes the Financial Regulations and Rules of the Organization, the procurement process and procedures at Headquarters, for field missions and in the field; the Staff Regulations and Rules, including an organizational manual reflecting lines of authority and a Secretariat organizational chart; the Secretary-General's bulletins and administrative instructions; and the list of staff of the Secretariat.

24. A review of the Financial Regulations and Rules is being undertaken, with a view to the submission to the General Assembly, for consideration at its fiftieth session, of a revised text to reflect developments in terms of how to deal, inter alia, with emergency situations and to improve delegation of authority, as explained below (see sect. III.B.2). A review of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget and Monitoring of Implementation and the Methods of Evaluation is also due.

25. The procurement process and related management issues at Headquarters, for field missions and in the field, will be reviewed in 1994 by an independent high-level group of procurement experts drawn from Member States. The group of experts will review these procurement processes and make recommendations to provide a basis for the formal adoption of a more responsive and coherent policy for peace-keeping operations and other field missions administered by the United Nations Secretariat. In view of the degree to which the magnitude of procurement activities in the United Nations has escalated, consideration will also be given to the establishment of a full-time committee on contracts. The group of experts will be guided and assisted by a steering committee chaired jointly by the Under-Secretaries-General for Administration and Management and

for Peace-keeping Operations. The new policy is intended to establish the responsibility for an efficient and responsive procurement process, which ensures that goods and services are obtained, including those for field missions and in the field, in an expeditious, timely and cost-effective manner. At the same time, the policy will include revised procedures to provide for a truly competitive, fair and transparent process, including the establishment of clear lines of authority and accountability, and inherent control mechanisms.

26. With regard to the Staff Regulations and Rules, currently an annual review is prepared and presented to the General Assembly. A much more comprehensive review to create a more coherent, simplified and easily updated body of rules and procedures is under way.

27. A new format for the Organizational Manual will be developed by the end of the year; and with the help of an interdepartmental working group, work will begin in 1995 to update and rewrite the Organizational Manual. A Secretariat organizational chart reflecting the changes that the Secretariat has undergone during its recent restructuring will be prepared in the context of the preparation of the proposed programme budget for the biennium 1996-1997. A number of Secretary-General's bulletins in the ST/SGB/Organization series have been reviewed and revised as necessary, particularly those relating to areas of the Secretariat that have been affected by the restructuring. This work is continuing and it is expected that, by the end of the year, most of the required bulletins will be issued. An interim list of staff of the United Nations Secretariat (ST/ADM/R.46), with staff listed by organizational unit, was issued in May 1994.

28. On a more general level, the standards of conduct for staff members in international organizations, including the United Nations, are the subject of a report on the standards of conduct in the international civil service, prepared in 1954 by the International Civil Service Advisory Board (ICSAB), and commonly referred to as the "Code of Conduct". That report contains a series of considerations and recommendations, which are essentially ethical guidelines for the conduct of international civil servants. Such considerations relate to:

(a) Conduct within the Secretariat;

(b) Relations with Governments and State representatives;

(c) Political activities;

(d) Relations with the public;

(e) Outside activities;

(f) Conduct of staff away from Headquarters;

(g) The private life of staff members.

29. Because of the soundness of its considerations and recommendations, the report has regularly been invoked in assessing the appropriateness of the conduct of United Nations staff members. However, it is important to recognize

that the report itself was never conceived of as a substitute for mandatory rules nor was it intended to have such general application. Moreover, it should also be recognized that, in the 40 years that have elapsed since the report was issued, the tasks and activities of the United Nations have expanded dramatically and its staff has continued to be faced with a variety of responsibilities and situations that were both unforeseen and unforeseeable at the time the ICSAB report was prepared.

30. As part of the establishment of an effective system of accountability and responsibility, the report will be reviewed in its entirety and its subject-matter updated with a view to enacting a truly comprehensive code of conduct for the Organization. The examination and updating of the 1954 ICSAB report is being undertaken in the light of the experience that the United Nations has gained in its application over the past 40 years and in anticipation of the new challenges that the Organization will face in the future.

31. The preparation of a formal United Nations code of conduct has already begun. Once it has been completed, the Code will be re-examined specifically with a view to identifying those particular ethical guidelines that are sufficiently important to warrant, in and of themselves, actual promulgation as mandatory ethical imperatives pursuant to the United Nations procedures for so doing.

32. Once all documents describing the organizational and statutory framework of the Organization, including what is expected of the staff, have been identified as requiring revision and consolidation, the necessary work will be carried out and the documents will be issued in a format that permits easier reference, retrieval and updating. It is anticipated that this will also include the Personnel Manual and related procedural manuals; the Financial Manual and related procedural manuals; and a field administration handbook. Mechanisms will be incorporated into the new formats for these documents to permit their continuous updating thereafter.

3. Provision of information and policy guidance

33. While precise and comprehensive written instruments assigning responsibility are essential for providing a sound basis for a system of accountability and responsibility, policy guidance, information and instructions must nevertheless be provided through ongoing communication between the Secretary-General and the heads of departments, offices and main organizational units, between those senior managers and their directors and managerial staff, between directors and their managers and with all staff. Furthermore, to facilitate concerted action to resolve issues of common interest, such a flow of guidance and advice must be supplemented by sharing relevant information and experience on a cross-departmental and organizational basis. Finally, appropriate mechanisms must be in place to ensure that sufficient information is provided to the Secretary-General and his senior managers on the objectives and principal activities of all departments, offices and main organizational units and on areas where problems or difficulties can be anticipated. This is indispensable to facilitate future guidance by the Secretary-General and to

ensure accountability of the heads of departments, offices and main organizational units.

34. In the past year, a number of initiatives have been taken by the Secretary-General in this connection.

35. One such initiative is the establishment of the Secretary-General's Task Force on Operations in response to the need for greater coordination and sharing of information and experience between the departments responsible for action by the United Nations in the political, peace-keeping and humanitarian areas. The Task Force, which is convened weekly, is chaired by the Secretary-General or in his absence, by the Under-Secretary-General for Political Affairs. Its membership includes also the Under-Secretaries-General for Administration and Management, Humanitarian Affairs and Peace-keeping Operations, the Legal Counsel and the senior advisers to the Secretary-General. Its meetings ensure that all the senior managers involved in the handling of a given operation or in the resolution of similar problems arising in political or field operations are fully cognizant of the policy set by the Secretary-General on the basis of mandates from Member States and receive clear guidance, as appropriate, for the implementation of that policy.

36. In addition, the Secretary-General has decided to resume the practice of periodic meetings of United Nations senior managers in the economic and social field, under his chairmanship. The purpose of these meetings is to consider substantive as well as management and administrative issues and decide on actions that can advance the Secretary-General's objective of more coherent United Nations policies and a more integrated United Nations programme in support of development. The first of these meetings took place in June 1994, with the participation of the executive secretaries of the regional commissions and the heads of all Headquarters departments and programmes in the economic and social field.

37. In the area of the administrative and financial functioning of the United Nations, the Secretary-General, also with a view to ensuring a coherent and unified policy within the Organization, established in January 1994 the Advisory Panel on Management and Finance. The Advisory Panel, consisting of all senior managers at Headquarters, primarily at the level of under-secretary-general, and the senior advisers to the Secretary-General, meets every month to discuss, inter alia, modalities for implementing General Assembly decisions and the development of new initiatives for improving the efficiency of the administrative and financial functioning and management of the United Nations, the medium-term plan and the programme budget. The Under-Secretary-General for Administration and Management normally chairs the meetings of the Advisory Panel, but the Secretary-General has personally chaired a number of them. Among the issues that have been reviewed by the Panel in 1994 are the financial situation of the Organization, the programme budget outline for the biennium 1996-1997, training priorities for the Organization and the preparation of reports on major administrative and budgetary issues for the resumed forty-eighth and the forty-ninth sessions of the General Assembly.

38. In the area of management and finance also, but closer to the operational level, monthly meetings have been held since January 1994 between the senior

officials responsible for the budget and personnel and executive officers at Headquarters. This initiative has met the need for departments to be briefed regularly on administrative practices and procedures so as to ensure smooth administrative backstopping for the implementation of the work programme carried out by each department. In addition, these monthly meetings have provided a forum for the exchange of experience and views among executive officers. The minutes of these meetings are distributed to the chiefs of administration at offices away from Headquarters for their information.

39. At the level of individual departments, offices and main organizational units, workshops have been organized throughout 1994, with the assistance of the Training Service of the Office of Human Resources Management, to clarify for each their mission, objective, allocation of responsibility, priorities, constraints and challenges. One of the aims of these workshops has been the development of strategies for improving communications and sharing information within and among departments, offices and main organizational units. It may be noted that these workshops are not limited to senior management. They usually include directors and senior managerial staff - chiefs of divisions, services, sections, units and, where appropriate, counterparts from other duty stations or offices. In 1995, similar activities will be carried out to include all staff responsible for identifiable outputs within the work programme of each entity, so that a common understanding of the strategy for the implementation of the work programme may emerge and be accepted for the purpose of harnessing the efforts of each department, office and main organizational unit in a common direction.

40. Training will be provided to all managers and staff involved in setting work objectives on the basis of the mandates applicable to the work of the unit, in translating them into concrete assignments and actions necessary to meet these objectives and complete assignments and in setting indicators to assess performance.

41. Finally, the entire staff of the Secretariat will be subject, effective 1 January 1995, to a new work-programme-based performance appraisal system (PAS) that emphasizes performance management and the issuance of guidelines and the discussion of assignments and responsibilities between managers and supervisors and their staff. The new PAS guidelines establish the series of steps and phases to be observed by supervisors and staff members in clarifying work assignments and responsibilities for the year of the appraisal cycle. Supervisors and staff members will discuss and agree on work assignments and deadlines at the beginning of the year for the upcoming annual appraisal cycle.

B. Need for managers and staff to have the necessary authority, and fully understand that authority, with regard to all available resources and relevant policies, directives and regulations, for the effective discharge of their responsibilities

1. Information on available resources

42. In order to exercise their authority effectively, it is essential and fundamental that managers have access to all relevant information required. If the premise is accepted that the authority of managers in the Organization must be strengthened as a prerequisite for assigning responsibility and rendering managers accountable, it follows that managers must have access, inter alia, to full information on all resources available to them for the implementation of their work programmes.

43. Taking advantage of the facilities offered by the Integrated Management Information System (IMIS) as they become available, directors and senior managerial staff, as well as heads of departments, offices and main organizational units, will have at their disposal, on a routine basis, up-to-date and complete information on the resources available to them and information on how the resources allocated to their programmes are being deployed. Heads of departments, offices and main organizational units, directors and senior managerial staff will be briefed on the information available to them through IMIS, either on line or through printed reports. The necessary infrastructure will be put into place for them and their offices to access available information directly, and their executive offices will be requested to forward printed reports to them on a regular basis.

44. This concerns in particular staffing and financial information such as staff lists, staffing tables, post incumbency reports, expiration dates of appointments, allotment advices, monthly statements of allotment reports, as well as other management tools. Eventually they will have access to the performance appraisal forms and the skills register giving details on each of their staff. As part of the management training courses described below, specific attention will be given to the way this information is to be used for analysis and planning purposes.

45. This approach entails a rethinking of the role of the executive offices and divisions of administration of the Secretariat's departments, offices and main organizational units which, to a certain extent, have up to now been the privileged if not the only counterparts of central administration in the handling of most matters pertaining to the administration of the programme budget and extrabudgetary resources made available to the Organization.

46. IMIS, once in place, would provide the Department of Administration and Management with reliable information with which to monitor the personnel and financial situation of the Organization effectively and to take promptly the corrective actions that may be required. By keeping a detailed log of the users who processed and approved the individual transactions in the system, IMIS will also provide a tool for increasing the accountability of the staff members concerned.

2. Delegation of authority

47. A main objective of the reorganization of the Department of Administration and Management was to establish clear lines of responsibility and accountability. The new structure reflects a clear definition of the authority and scope of responsibilities of the Under-Secretary-General for Administration and Management in relation to each of the functions entrusted to the Department. An issue that must be addressed in the light of the development of a system of accountability and responsibility, as well as the reorganization of the Department of Administration and Management, is the extent to which the authority for the management of human and financial resources Secretariat-wide should be delegated from that department to departments, offices and main organizational units, both at Headquarters and in the field. This issue has become increasingly critical over the past few years. In particular, the multiplication of field operations in the peace-keeping, political and humanitarian areas, as well as the increasing role of the regional commissions and offices away from Headquarters, have highlighted the deficiencies of the heavily centralized administrative system under which the Organization has operated. The role and function of the component offices of the Department of Administration and Management is one of administrative support to other departments, offices and main organizational units in the implementation of their programmes, and of rendering all administrative assistance to programme managers so that they may utilize their resources with greater flexibility and particularly enhance the performance of their human resources to achieve their optimal levels of productivity, so that mandated outputs are delivered as effectively and efficiently as possible.

48. It has become more and more apparent that a greater decentralization of the responsibility for certain activities in financial and human resources and support services administration and management must be achieved by delegating authority to departments, offices and main organizational units both at Headquarters and elsewhere, in the interest of making day-to-day operations as expeditious and effective as possible. At the same time, both the General Assembly and the Secretary-General have emphasized the importance of achieving a proper balance between administrative decentralization and central control, monitoring and coordination and of ensuring that decentralization does not result in the loss or weakening of coherent overall policies, consistently applied.

49. At the level of individual departments, offices and main organizational units, so that senior managers may be held accountable, an appropriate balance must be achieved between the authority that managers must have over all resources available to them for the implementation of their programmes and the authority delegated to the administrative entities that support their programme activities. What is required is to bring about greater cohesion between programme managers on the one hand, who are predominantly concerned with the implementation of the mandates from legislative bodies in their areas of responsibility, and the administrative staff in executive offices and divisions of administration, who have in a sense dual responsibility and accountability. Executive offices and divisions of administration are accountable first and foremost to the heads of their departments, offices and main organizational units as partners in administration for programme implementation. They are also

accountable, however, to the central administration for the appropriate utilization of resources, particularly under the terms of financial rule 110.4, which defines the responsibility of certifying officers vis-à-vis the Controller.

50. To address this matter, a working group will be established in 1994 by the Under-Secretary-General for Administration and Management firstly to review the issue of the delegation of authority at Headquarters and then, based on preliminary findings and conclusions, the working group will study the situation at offices away from Headquarters. The working group will include representatives of the Department of Administration and Management in the areas of budget and financial management, human resources management and support services and representatives of departments, offices and main organizational units to which authority is delegated. In the context of this review of the broader issues of delegation of authority, there will also be a reassessment of the relationship between the officials who are vested with administrative and certifying authority in executive offices and divisions of administration at the departmental, office or main organizational unit level, and their programme managers.

51. The Office of Human Resources Management has already begun to review, as one of its top priorities, the existing system of delegation of authority in personnel administration to executive offices and chiefs of administration and human resources management at other duty stations. The objective of the review is to identify those areas of activity where authority could be delegated in the interest of a more efficient human resources management system without a loss of overall policy coordination, without the fear of abuse and without a loss of basic protection for the acquired rights of staff. As noted above, the system-wide implementation of IMIS in the area of human resources is a prerequisite for significant changes in the delegation of authority. IMIS will facilitate regular monitoring of the correct and consistent use of the delegation of authority, without inhibiting programme managers from exercising their authority in an effective manner.

52. It should be noted that in view of the urgency of revising existing rules and procedures governing the delegation of authority to field operations, including peace-keeping operations, priority is being given at this time to the delegation of authority by the Department of Administration and Management to those operations. A detailed review of such rules and procedures in the areas of personnel administration, finance and procurement is already under way. In the area of human resources, a new, less rigid, series of rules for the recruitment and administration of staff on contracts of limited duration, particularly in peace-keeping and other field operations, has been devised and will be reviewed by the General Assembly at its forty-ninth session. Similarly, it is intended to submit to the General Assembly for consideration at its fiftieth session proposals for possible revisions to the financial regulations in the area of peace-keeping.

53. As early as possible in 1995 and subject to the decisions of the General Assembly at its forty-ninth session, the appropriate rules and administrative instructions concerning delegation of authority for peace-keeping operations will be issued by the Secretary-General. The rules and procedures to be set in

place will provide for mechanisms to assist in and monitor the implementation of the new measures.

54. With respect to the activities of the Organization in areas other than peace-keeping and field operations, starting in January 1995 a review of the Financial Regulations and Rules under article X, Internal control, will be carried out on the basis of the findings of the working group on the review of the delegation of authority referred to above, with the objective of submitting revisions to the regulations for consideration by the General Assembly at its fiftieth session. The objective of this review will be to strengthen and supplement current provisions requiring compliance with those Regulations and Rules, and to eliminate any existing ambiguities in the text. Particular attention will be paid to strengthening provisions on fraud, waste and abuse and to the authority of managers in this regard.

3. Empowerment of managers

55. Individual managers must be empowered to make decisions not only on the use of approved and available resources, but also on the implementation of the programmes and activities at their level. Delegating authority is one of the most important skills that managers in the Organization must develop at every level, including heads of departments, offices and main organizational units, directors and their senior managerial staff, and supervisors. The empowerment of managers to make decisions and to take action is important for at least five reasons:

(a) It enables managers to extend their capacity through the optimal use of their supervisory and staff resources;

(b) It encourages innovation and creativity to improve quality and production, leading to a sense of achievement and job satisfaction;

(c) It ensures that decision-making takes into account the experience and specialized expertise that exist at the operational level;

(d) It promotes communication among managerial and supervisory staff for the exchange of views and experience;

(e) It confronts managers with the challenges that prepare them for higher-level functions.

56. Managers must also be clear about their authority to make decisions and carry out their assigned responsibilities, because they will ultimately be held accountable for programme delivery. With regard to performance management and within the new PAS, the expected level of performance must be specified clearly and completely, including the constraints under which the subordinate will be operating, the level of initiative expected and, in many cases, the type of action required. Reporting procedures and schedules must be established. All who will be affected by these arrangements must be informed appropriately. All existing information relevant to the implementation of the programme or the

accomplishment of the task should be passed on as and when it becomes available. Finally, this policy must be applied consistently.

57. To this end, departments and offices at Headquarters began in 1994 the preparation of statements defining the authority of each manager, beginning with the level of senior management, as well as elaborating the responsibilities assigned to them and the accountability mechanisms for monitoring and controlling the implementation of their programmes and activities.

58. The statements defining the authority of each position of management make specific reference to the relevant legislative mandates, regulations, rules or directives and in each case define lines of authority and establish reporting procedures. The statements include the level of expenditure that may be approved by the manager; the authority of the manager over staff in areas such as assignments, travel or leave; signing authority; and the authority to represent the department, office or organizational unit and to make presentations or public statements. These statements will be reviewed on an ongoing basis and adjusted and updated as necessary.

59. Beginning in 1995, and based on the experience of Headquarters, a similar exercise will be carried out at offices away from Headquarters, including peace-keeping and other field operations.

4. Training of programme managers and supervisors

60. Programme managers and supervisors must be clear not only about their authority, but also how to use it to carry out their assigned responsibilities. To this end, they must be provided with training in a number of areas related to management skill development. Programme managers and supervisors in the United Nations could derive benefit from practical training in both the concepts of decision-making processes and some sharing of practical experience in how to undertake their management responsibilities in meeting the objectives of the Organization. The major objective of management training is to empower programme managers and supervisors to see the benefits of employing the full resources available to them, particularly through their staff.

61. To meet this objective, the Training Service of the Office of Human Resources Management has established a comprehensive management training programme with an integrated approach to training programme managers and other supervisors in the broad range of management competencies that they are required to have to exercise their responsibilities effectively. The training programme covers a number of areas, emphasizing leadership, planning, managing financial and human resources and the linkages between their responsibilities and the accountability framework. During the past year, the Training Service has delivered a number of integrated courses with a specific focus on empowering managers better to discharge their responsibilities and has planned others for implementation by the end of the year, and beyond.

62. Related activities include the following:

(a) The conduct of 13 workshops for departments, offices and main organizational units as of August 1994, with the remaining 4 planned for the rest of 1994, to discuss the linkages, concepts and practices of establishing a mission statement, objectives, responsibilities, priorities, etc.;

(b) The conduct of a special orientation programme for under-secretaries-general and assistant secretaries-general on programme planning, financial management and the budget process, human resources management and other current management issues;

(c) The development of an orientation guide or handbook for under-secretaries-general and assistant secretaries-general;

(d) The provision of training in the application and use of the new PAS.

63. As part of the strategy for implementing IMIS, and so as to improve their decision-making capability, all programme managers are being given specific training in how to maximize all the benefits of the information management opportunities available under IMIS.

5. Training of staff

64. Bearing in mind the fact that staff costs represent a major portion of the United Nations budget, human resources must be used and managed as efficiently as possible. While it is important to increase the mobility of staff to meet the requirements of new programmes and activities, and to recruit qualified staff when necessary, training is essential to ensure that the Organization has at its disposal the skills and expertise needed to meet the new challenges with which it is confronted.

65. Therefore, in addition to the training of programme managers and supervisors, the Training Service has developed a training programme to update the professional and technical knowledge and skills of staff. This training aims at providing the staff with the tools necessary to respond to new challenges and perform diversified tasks efficiently and effectively, as required by the changing work programme of the Organization.

66. The training programme has been developed following consultations with departments and offices, including those away from Headquarters. It covers a selection of substantive areas, including peace-keeping, preventive diplomacy, conflict resolution, sustainable development, international law, economics, statistics and demography. At the same time, training activities in areas such as technological innovations, languages and interpretation and translation skills have been maintained or expanded.

67. In addition, training programmes are being developed and courses will begin in 1994 for support personnel for peace-keeping and other field operations. The objective of training support personnel is to build a competent and principled cadre of individuals, with the highest professional and ethical standards. The

support areas critical to these operations, which will be included in the training programme, are finance, personnel administration, procurement, general services administration and legal services.

68. Staff training is to be linked directly to the development of performance management Secretariat-wide, including the implementation of the new PAS and the establishment of a system of accountability and responsibility. In combination, these measures should provide managers and their staff with the necessary tools to perform more effectively and efficiently.

IV. ACCOUNTABILITY MECHANISMS

69. In section III above on responsibility and authority, some essential conditions necessary for the establishment of a system of accountability were outlined. The measures defined contribute to a clearer definition and a better understanding of the responsibilities assigned to programme managers and staff at all levels and to a strengthening of the authority they require to execute their responsibilities effectively. They must be accompanied by the establishment of appropriate mechanisms for accountability at all levels.

A. Reporting by the Secretary-General to intergovernmental and expert bodies

70. Accountability starts at the highest level with the obligation of the Secretary-General to report to policy-making organs on the implementation of the programmes that they have mandated. This is currently done through three types of reports. One is the programme performance report, which contains information on the rates of implementation by the Secretariat of the outputs, services and activities cited in the programme budget for the biennium in question and is prepared under the terms of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. The second is a series of in-depth evaluation studies, also prepared in accordance with the same Regulations and Rules, which assess to what extent selected programmes of activity contribute to the attainment of the objectives set forth in the medium-term plan. Finally, the programme budget performance report is prepared under the Financial Regulations and Rules. Towards the end of each biennium, it provides Member States with information on anticipated expenditures of the Organization in relation to the appropriations approved by the General Assembly. These three reports will be improved to ensure full accountability of the Secretary-General vis-à-vis the policy-making organs.

71. The programme performance report apprises Member States of the degree to which the outputs and services cited in the programme budget are implemented and provides explanations for the changes that occur during the biennium. However, in its current format, even taking into account the changes in methodology reflected in the programme performance report for the 1992-1993 biennium 3/ to be submitted to the General Assembly at its forty-ninth session, the programme performance report remains a largely mechanical summation of outputs and services that differ widely in their nature and significance, with

implementation ratios that are not necessarily meaningful. Moreover, its preparation is a heavily centralized exercise based on the review and tabulation of large volumes of data submitted quarterly by the respective programme managers.

72. The report of the Secretary-General on the strengthening of the role of evaluation findings in programme design, delivery and policy directives 4/ contains a proposal to make programme reporting and monitoring less descriptive and quantitative and more of an assessment of the problems and results of implementation. This can be achieved through the utilization of the findings generated by the self-evaluation system. To this end, guidelines are being developed for programme managers to assist them in the implementation of activities and in assessing performance. Performance monitoring and self-evaluation are viewed as an integral part of the managerial oversight responsibility, which requires the generation, on a day-to-day basis, of data and analytical information on implementation and results achieved, including the use of achievement indicators where appropriate. The general guidelines will cover, inter alia, methods for data collection and information gathering, and will be issued in a preliminary form by the end of 1994. These guidelines will be reviewed and further elaborated in accordance with the recommendations of the General Assembly at its forty-ninth session, in time for the preparation of the programme performance report for the biennium 1994-1995.

73. Because in-depth evaluation studies take an average of three years to prepare and focus on relating programmes to the objectives set in the medium-term plan, which are usually very general, their usefulness as an input for subsequent planning and programming has been increasingly questioned. For that reason, a more management-oriented and problem-solving approach to evaluation is being considered rather than one solely centred on objectives. In that context, the report of the Secretary-General 4/ referred to above proposes a drastic shortening of the evaluation cycles from a norm of three years for a study, to one year, and a substantially heavier schedule of in-depth evaluations to match this more intense cycle. At the same time, self-evaluation activities would be merged with monitoring into a more integrated management oversight function at the level of individual departments, offices and main organizational units.

74. Subject to approval by the General Assembly at its forty-ninth session, five major programmes have been scheduled for in-depth evaluation study during the remainder of this and the next biennium, namely, peace-keeping operations, humanitarian affairs, environment, public information and statistics. It is expected that, with the shortened cycle and the resulting increase in the number of programmes evaluated in-depth over the period of the medium-term plan, Member States will be in a position to make better use of the findings of evaluation studies when considering the proposals of the Secretary-General for the next medium-term plan.

75. The programme budget performance report that the Secretary-General submits to the General Assembly through ACABQ at the end of the biennium should allow Member States to verify that the expenditures of the Organization remain within the appropriations as approved, and are incurred only for the purposes approved by the General Assembly. The presentation of the budget performance report has

been revised to show projected expenditures by main object of expenditure, on a basis allowing for easy comparison with the corresponding appropriations in the programme budget. Furthermore, the analytical content of the report is being strengthened so as to present Member States with a clear indication of the various factors that had an impact on resource utilization. These improvements will be reflected in the second performance report for the current bie nium.

B. Accountability of programme managers for the implementation of management plans

76. An essential function in management is planning. Effective planning at every level of the Organization is the foundation for the successful execution of all other management functions.

77. The mandates of the Organization and overall policy guidance are provided by the intergovernmental bodies, primarily the General Assembly, the Security Council and the Economic and Social Council, and, as discussed in section III above on responsibility and authority, the medium-term plan and the programme budget are the basic planning tools available to the Organization. The medium-term plan is the principal policy directive for its work. It sets out the strategic objectives to be achieved during the plan period, as mandated by the Member States, and serves as a framework for the formulation of the biennial programme budgets. The programme budget provides an inventory of the outputs, services and activities to be delivered during that period.

78. The successful implementation of the medium-term plan and of the programme of the Organization as defined in the programme budget depends in the first instance on effective management planning by the heads of departments, offices and main organizational units of the United Nations. To this end, the Secretary-General initiated in 1992 a practice whereby all programme managers are required to prepare and submit to him management plans every six months. These six-month plans elaborate the specific objectives that are to guide the work programmes of the organizational entities concerned and set out the tasks to be undertaken by them during the period under consideration in order to meet these objectives. They also identify areas where potential problems or obstacles, including resource constraints, are anticipated in programme implementation or other difficulties that are foreseen in carrying out the tasks set out in the plan, together with proposals to address or overcome them.

79. These plans have helped to clarify and sharpen the focus of the contribution of each organizational entity to the attainment of the substantive policy objectives set out in the medium-term plan and programme budget. They serve as planning and monitoring tools for the programme managers themselves, while at the same time assisting the Secretary-General in the exercise of his overall managerial responsibilities and in achieving the strategic imperatives of the United Nations as a whole. They are an integral part of the effort to introduce improved reporting procedures and more effective standards for measuring and monitoring performance and for quality control, thus strengthening the accountability of managers responsible for implementing the main programmes of the Organization and the capacity of the Secretary-General to exercise effective managerial oversight.

80. Consideration is being given to ways of establishing an improved system for monitoring the implementation of these plans, including expenditures and staffing table administration, and of linking these plans in a more systematic way to the overall programme planning and budgeting process.

81. In connection with the monitoring of budgetary performance, new procedures have been instituted within the central administration of the Organization. In addition to the annual review, which had been the practice, detailed monitoring of expenditures against allotments is now carried out on a monthly basis with a view to providing greater understanding of the needs and performance of departments, offices and main organizational units. This will be particularly facilitated with the development of IMIS and as human resources and financial information becomes more and more available and accessible to programme managers and their executive officers, as well as to the central administration.

82. Moreover, as referred to in the previous section, in his report to the General Assembly on strengthening the role of evaluation findings in programme design, delivery and policy directives, 4/ submitted to CPC at the first part of its thirty-fourth session, the Secretary-General indicated that monitoring and self-evaluation were viewed as an integral part of the managerial oversight responsibility. This requires the generation, on a routine basis, of data and analytical information on implementation and results achieved, including achievement indicators where appropriate. To this end, general guidelines are being prepared for managers that will include methods for data collection and information gathering.

C. Staff accountability for the delivery of outputs and services

83. The system of accountability and responsibility will not be restricted in its application only to senior officials of the United Nations: the principles of responsibility, authority and accountability should in fact govern the conduct of the entire staff. Staff will be accountable for the delivery of outputs and services, both quantitatively and qualitatively. Performance indicators will be established, by which staff members' performance will be assessed. It is intended that managers will focus on the performance management of their human resources and will discuss their expectations with staff individually, applying established performance indicators, so that there is clear understanding and agreement is reached on what is to be done and by what standard. The performance indicators will serve as a "yardstick" to determine if the level of output of services agreed upon has been delivered, whether deadlines have been met and if the expected level of quality of the output produced has been reached. For the Organization, setting objectives jointly agreed to by managers and their staff, and monitoring and conducting periodic reviews to ensure that these objectives are being met, will represent a significant achievement towards reaching the goals of accountability.

84. Staff accountability, as well as performance management, will be greatly strengthened and facilitated by the application Secretariat-wide of the new PAS. The foundation on which the development of the PAS rests is communication between managers and their staff. In this regard, the key components of this

system include the discussion and clarification of work assignments, schedules and deadlines, by managers and their staff at the beginning of each year; based on this, the monitoring and discussion of staff performance during the course of the year, and ultimately, at the end of the year, the review and appraisal of staff performance. With the PAS, the United Nations has set itself on an innovative course of change, whose goal will be reached when the Organization is at the stage where the connection is made between the evaluation of the degree to which managers and all staff have either met or fallen short of their objectives and the resulting rewards or sanctions from such an evaluation.

85. Until the end of September 1994, the PAS will be tested in selected departments, offices and main organizational units. The results of the testing will be evaluated by the end of October 1994, in order to make the appropriate modifications. Application of the new system will then begin in January 1995.

86. The new PAS guidelines set out the importance of having a structured, but balanced, rewards and sanctions system and stresses the link between this system and other human resources management elements such as career development, staff training, job design and classification and administrative measures for non-performance. The new system has been designed to encompass all levels of management, as well as staff, including the most senior programme managers of the Organization. A system of rewards and sanctions to be developed would also be applied as appropriate.

87. Indeed, elements of such a reward/sanction system are already in the regulations and rules of the Organization. Some are being proposed in the new PAS system; others are under discussion in inter-agency forums such as the Consultative Committee on Administrative Questions (CCAQ) and the International Civil Service Commission (ICSC); still others are identified in the promotion and placement policies launched in November 1993. Until now, though, these elements have been imprecise, not necessarily transparent to staff and scattered over a number of issuances and differing systems and processes.

88. To remedy this situation, the Secretariat is developing a balanced system of rewards for good performance and sanctions for poor performance. By the end of 1994, the Secretariat will have completed the review of guidelines designed to ensure that administrative actions affecting the status or career of staff members are more directly linked to performance.

89. Rewards linked to good performance are linked also to developing communication strategies and a motivation culture in the Organization. Examples of those that call for management skills, but require no change or are already provided for in the Staff Regulations and Rules, include:

(a) Providing ongoing feedback for staff performance, formally and/or informally;

(b) Giving recognition, such as through participation in more senior management meetings, notes of appreciation or formal letters of commendation to be included in personnel records;

(c) Preferred or flexible assignments, extra responsibilities that may be more interesting or gratifying, including short-term missions and field operations;

(d) Enhanced training opportunities, including attending/participating in conferences, trade shows, etc., particularly those with an orientation towards career development or mobility;

(e) Extending fixed-term appointments and granting permanent appointments based on performance.

90. Other rewards, such as acceleration of in-grade increments, are under consideration, but will require change or adjustment to the existing regulations and rules.

91. In the case of unsatisfactory performance appraisal, when it is determined that a staff member does not perform in the prescribed and agreed upon manner, a number of administrative measures already exist as sanctions to enforce accountability. These include the following:

(a) Denial of in-grade increment;

(b) Reassignment with an opportunity to improve performance;

(c) Non-extension of fixed-term appointment resulting in separation from service, or non-conversion of probationary to permanent appointment, resulting in either separation or extension of probationary period;

(d) Under staff regulation 9.1 (a), termination of the permanent appointment of a staff member whose probationary period has been completed, if the services of the individual concerned prove unsatisfactory;

(e) Under staff regulation 9.1 (b), termination of a fixed-term appointment of a staff member, if services prove unsatisfactory;

(f) Under staff regulation 9.1 (c), separation during the probationary period, in the interest of the Organization.

92. The possibility of linking career appointments to performance was presented when the Secretary-General, in June 1994, decided in principle to end the suspension imposed in February 1992 on the granting of career appointments. The Under-Secretary-General for Administration and Management established a task force to review the modalities for the implementation of the decision and, at the same time, the whole process by which career appointments are granted. The task force has not completed its work yet, but it has already been agreed that performance standards should be more rigorously applied than in the past. Specific recommendations will be submitted to the Secretary-General by September 1994.

93. As indicated, elements of a reward/sanction system are also under discussion at the inter-agency level. In 1993, ICSC had agreed on a package of

measures as guidelines for the appraisal and recognition of the performance of staff. At its fortieth session, held in June 1994, ICSC presented the package in the context of the work under way concerning the application of the Noblemaire principle. 5/ The ICSC proposals were designed to provide a framework for organizations to use in improving the appraisal and recognition of performance. The issue of greater managerial accountability is also being given special attention in CCAQ and the Administrative Committee on Coordination.

D. Administration of justice

94. With regard to the administration of justice in the United Nations, the General Assembly stressed, in its resolution 47/226 of 8 April 1993, the importance of a just, transparent, simple, impartial and efficient system of internal justice at the Secretariat and requested the Secretary-General to undertake a comprehensive review of the United Nations system for the administration of justice, in response to its resolution 45/239 B. In this connection, a task force was created by the Under-Secretary-General for Administration and Management.

95. The main observation of the task force was that there is a need for an overhaul in the administration of justice in such a way as to reduce delays and streamline the numerous applicable policies, regulations, rules and administrative issuances. The task force proposed a number of new measures and mechanisms for priority implementation in 1995. These include a complete reform of the present administrative review system. Moreover, measures were proposed to encourage settlement through informal channels, such as through the office of an ombudsman. Finally, the existing system whereby the Secretary-General receives advice from the Joint Disciplinary Committee in disciplinary cases and from the Joint Appeals Board in cases of appeal against administrative decisions will be completely revamped in order to create a more transparent and credible system that will better serve the Organization and staff.

96. The conclusions of the task force will be the subject of a report by the Secretary-General to the General Assembly at its forty-ninth session.

E. Development of the organizational oversight machinery

1. Office for Inspections and Investigations

97. A significant initiative towards the strengthening of accountability in the Secretariat was the decision of the Secretary-General to establish the Office for Inspections and Investigations, an independent internal oversight mechanism reporting directly to the Secretary-General, as a first step towards the establishment of a broader audit, evaluation and investigation authority. The Office was established to provide comprehensive audit, inspection and investigation services to the Organization. It was given the authority to initiate any audit, inspection or investigation it considered necessary without any hindrance or need for prior clearance.

98. The objectives of the Office were conceived to ensure compliance with the resolutions of the General Assembly and with the regulations, rules and policies of the United Nations; to monitor programme implementation and evaluate the results achieved; to assess the Organization's systems of management and control; to investigate mismanagement and other practices with a view to preventing waste, abuse and malfeasance; and to recommend policies and measures for the promotion of economy and efficiency based on its audits, evaluations, inspections and investigations.

99. The Office has coordinated its activities with the Board of Auditors of the United Nations and JIU, with respect to the implementation of their recommendations and in order to minimize duplication of effort. It has maintained a close relationship with the internal audit services of the United Nations system.

100. The Office for Inspections and Investigations was established by Secretary-General's bulletin ST/SGB/262 of 24 August 1993. A detailed description of the functions of the Office is contained in bulletin ST/SGB/268 of 23 November 1993, and a note by the Secretary-General to the General Assembly of the same date. 6/

2. Office of Internal Oversight Services

101. The Secretary-General welcomes the adoption by the General Assembly of resolution 48/218 B on 29 July 1994, establishing the Office of Internal Oversight Services, an important cornerstone in the development of an organizational oversight machinery for the United Nations.

102. The Office will assume the functions prescribed for the Office for Inspections and Investigations in the report of the Secretary-General, 6/ as amended by resolution 48/218 B and subject to the modalities defined therein, with a view to strengthening the executive capabilities of the Secretary-General. With regard to its mode of operation, the Office of Internal Oversight Services will exercise operational independence under the authority of the Secretary-General in the conduct of its duties and, in accordance with Article 97 of the Charter will have the authority to initiate, carry out and report on any action it considers necessary to fulfil its responsibilities with regard to monitoring, internal audit, inspection, evaluation and investigation. The Office of Internal Oversight Services will assist the Secretary-General in fulfilling his internal oversight responsibilities in respect of the resources and staff of the Organization. The Office of Internal Oversight Services, inter alia, may also advise programme managers on the effective discharge of their responsibilities, provide assistance to programme managers in implementing recommendations, ascertain that programme managers are given methodological support and encourage self-evaluation.

103. In accordance with resolution 48/218 B, the Secretary-General will ensure that a set of procedures are elaborated to facilitate the work of the Office of Internal Oversight Services in the areas of the implementation of recommendations and reporting, including the resolution of disputes; to provide direct confidential access of staff members to the Office, and for protection

against repercussions, for the purpose of suggesting improvements for programme delivery and reporting perceived cases of misconduct; and to protect individual rights, the anonymity of staff members, due process for all parties concerned and fairness during investigations. It will ensure that falsely accused staff members are fully cleared and that disciplinary and/or jurisdictional proceedings are initiated without undue delay in cases where the Secretary-General considers it justified.

104. Finally, the Intergovernmental Working Group of Experts established pursuant to General Assembly resolution 48/218 A is continuing its study of the possibility of establishing a new mechanism or to extend the mandates of existing mechanisms to address alleged cases of fraud in the United Nations. At its recently concluded second session, the Group, inter alia, reviewed the size of the problem of fraud committed from within and without the United Nations; existing rules, procedures and mechanisms dealing with the prevention and detection of financial irregularities; and disciplinary mechanisms. 7/ The Group, which will hold its third and final session in September 1994, will report to the General Assembly at its forty-ninth session.

V. CONCLUSION

105. The basics of a transparent and effective system of accountability and responsibility in the United Nations will be in place by 1 January 1995. While some elements essential to the system were already planned or in place in the Organization, it has been necessary in many cases to develop further the existing elements, or to refine or redesign them as appropriate, to add others as necessary and to integrate them so as to form a coherent, interactive system.

106. An effective system of accountability and responsibility depends in the first instance on the clarity of objectives and rules, resulting in a clear mission statement for the Organization, from which its strategic imperatives may be derived. The large number of existing legislative instruments (basic legislative instruments, such as regulations, resolutions and decisions) makes it difficult for the Secretariat to ensure that the policies and mandates emanating from intergovernmental bodies are consistently and properly applied. Legislative instruments used within the Secretariat (subsidiary legislative instruments such as rules, bulletins, administrative instructions, etc.) are also in many cases too detailed. Consequently, managers and staff currently spend an inordinate amount of time trying to navigate through the maze of legislative requirements, and prepare an ever-increasing number of reports on their activities, at the expense of programme implementation.

107. There is now an urgent need, therefore, for considerable deregulation in the Secretariat in order to enhance the capacity of managers, to allow them greater flexibility in the use of resources, particularly human and financial, and to encourage greater initiative and innovation - in brief to manage better. Accordingly, in the context of the establishment and development of a system of accountability and responsibility, a thorough review of the Organization's legislative instruments is required with a view to simplifying and clarifying them. Correspondingly, existing subsidiary legislation will be streamlined to ensure internal cogency and consistency with basic legislation and revised so as

to create a straightforward and coherent body of legislative norms, that will lead to greater efficiency and effectiveness in the United Nations.

108. It must be emphasized, however, that the introduction of a transparent and effective system of accountability and responsibility is more than setting forth or revising procedures, regulations and rules. An important element in the development of the system is the promotion of a new "management culture". The significance of the process-system approach in this culture is that it recognizes that responsibility, authority and accountability are interactive and inextricably linked; and that it is the effective interrelationship of responsibility, authority and accountability that drives the Organization to achieve its strategic objectives.

109. In the establishment of a transparent and effective system of accountability and responsibility, it would be unwise to downplay the magnitude and complexity of the problems and obstacles in the culture of the United Nations, which has been evolving over the course of almost half a century. Nor should the difficulties to be confronted in resolving the problems be underestimated, in particular the need to change attitudes and established and well-entrenched bureaucratic working habits. That having been said, the Organization must transform itself. In so doing, the utmost care should be taken to develop a real "management culture", to put measures in place that will encourage improved performance and higher levels of productivity and ensure quality work. Managers must have the flexibility they need to take initiative and be innovative, so that there is incentive for managers to achieve economies in the implementation of their work programmes, and then have the freedom to utilize the resources released through economies in other priority areas within the scope of their programme responsibility. In short, the objective of this exercise should be the creation of a mission-driven and result-oriented Organization in which the Secretariat and the intergovernmental bodies interact on an ongoing basis, but have the confidence to concentrate their efforts on their respective functions: the execution of legislative mandates and the management of programme implementation in the case of the Secretariat and, in the case of the intergovernmental bodies, the provision of mandates and overall policy guidance.

Notes

1/ Official Records of the General Assembly, Forty-eighth Session, Supplement No. 16 (A/48/16), Part II.

2/ A/48/420 and Add.1 and Add.1/Corr.1.

3/ A/49/135 and Add.1.

4/ A/49/99.

5/ Official Records of the General Assembly, Forty-ninth Session, Supplement No. 30 (A/49/30).

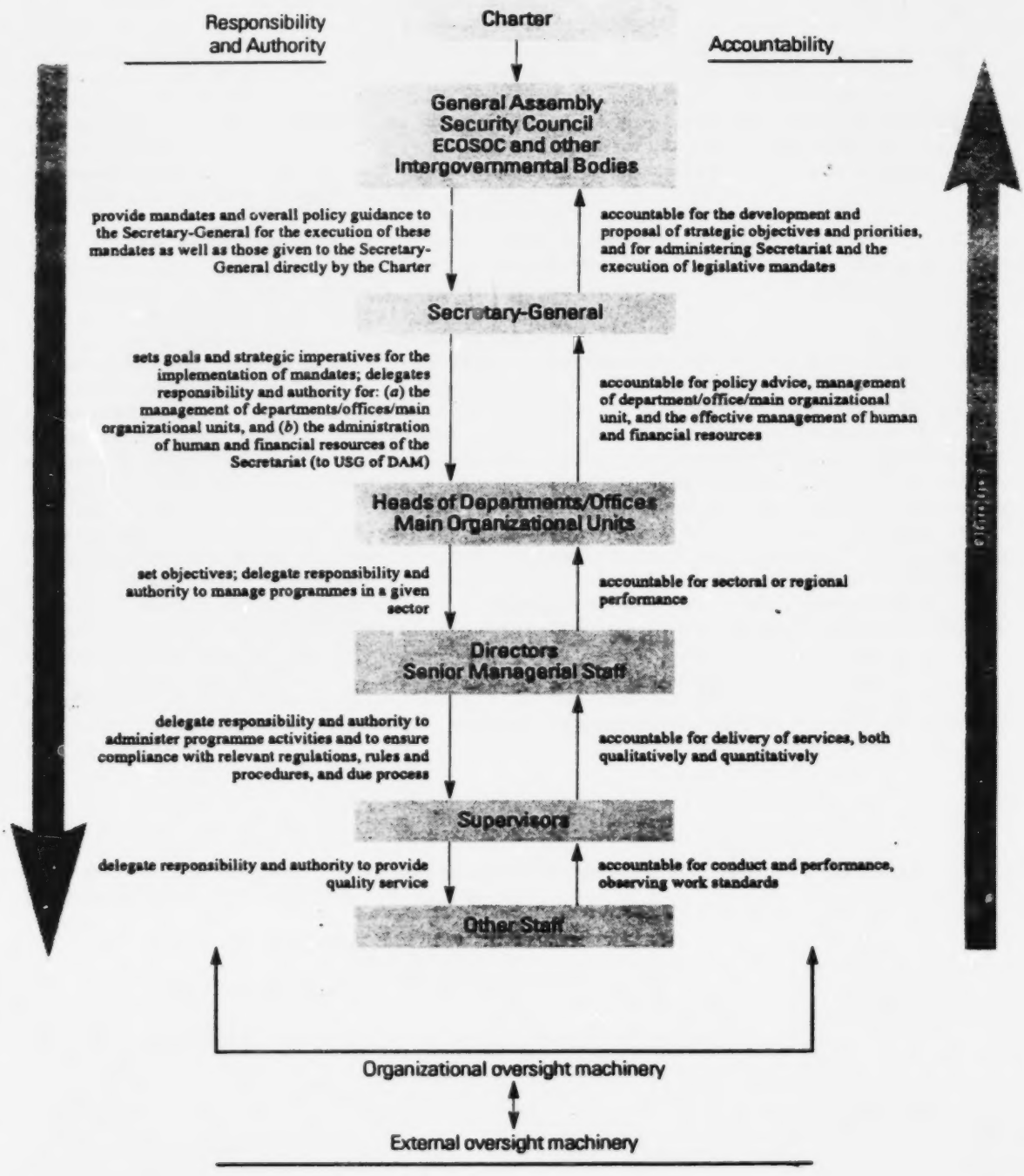
6/ A/48/640.

7/ A/AC.243/1994/L.8.

Annex

Process/system of responsibility, authority and accountability

for programme delivery and the effective management
of the human and financial resources of the Organization


Responsibility and Authority
Charter
Accountability
General Assembly
Security Council
ECOSOC and other
Intergovernmental Bodies
provide mandates and overall policy guidance to the Secretary-General for the execution of these mandates as well as those given to the Secretary-General directly by the Charter
accountable for the development and proposal of strategic objectives and priorities, and for administering Secretariat and the execution of legislative mandates
Secretary-General
sets goals and strategic imperatives for the implementation of mandates; delegates responsibility and authority for: (a) the management of departments/offices/main organizational units, and (b) the administration of human and financial resources of the Secretariat (to USG of DAM)
accountable for policy advice, management of department/office/main organizational unit, and the effective management of human and financial resources
Heads of Departments/Offices
Main Organizational Units
set objectives; delegate responsibility and authority to manage programmes in a given sector
accountable for sectoral or regional performance
Directors
Senior Managerial Staff
delegate responsibility and authority to administer programme activities and to ensure compliance with relevant regulations, rules and procedures, and due process
accountable for delivery of services, both qualitatively and quantitatively
Supervisors
delegate responsibility and authority to provide quality service
accountable for conduct and performance, observing work standards
Other Staff
Organizational oversight machinery
External oversight machinery

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Item 108 of the provisional agenda**

REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

Establishment of a transparent and effective system of accountability and responsibility

Report of the Secretary-General

I. INTRODUCTION

1. By paragraphs 4 and 5 of its resolution 48/218 A.I, section E, of 23 December 1993, the General Assembly, inter alia, endorsed the recommendations of the Committee for Programme and Coordination (CPC) on the establishment of a transparent and effective system of accountability and responsibility no later than 1 January 1995, as contained in paragraphs 243 to 245 of its report, 1/ and requested the Secretary-General to include in the system of accountability and responsibility the following elements, taking into account relevant experiences within and outside the United Nations system:

(a) The establishment of clear responsibility for programme delivery, including performance indicators as a measure of quality control;

(b) A mechanism ensuring that programme managers are accountable for the effective management of the personnel and financial resources allocated to them;

(c) Performance evaluation for all officials, including senior officials, with objectives and performance indicators;

(d) Effective training of staff in financial and management responsibilities.

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* Reissued for technical reasons.

** A/49/150.

2. The General Assembly further requested the Secretary-General to submit a report on the establishment of the system to the General Assembly at its forty-ninth session through CPC and the Advisory Committee on Administrative and Budgetary Questions (ACABQ). The present report is submitted in response to those requests.

3. At its forty-eighth session, the General Assembly also had before it an interim report of the Joint Inspection Unit (JIU) on accountability and oversight in the United Nations Secretariat and the comments of the Secretary-General thereon. 2/ In resolution 48/218 A, the General Assembly also took note with appreciation of the report of JIU and the comments of the Secretary-General thereon.

4. With a view to providing an appropriate response to the expectations of Member States, and bearing in mind their comments on this and related items during the thirty-third session of CPC and the forty-eighth session of the General Assembly, as well as the interim report of JIU on accountability and oversight in the United Nations Secretariat and the comments of the Secretary-General thereon, a process of Secretariat-wide consultations was launched on the concrete measures to be taken by January 1995. This involved seeking the views of all heads of departments, offices, programmes and regional commissions of the Organization, both at Headquarters and elsewhere, as well as the views of the staff representatives. An interdepartmental task force was then convened to discuss, elaborate and submit proposals. These proposals were subsequently reviewed by the Advisory Panel on Management and Finance (see also para. 39 below).

5. It was recognized that, when programme managers in the Organization are given responsibility for the implementation of programmes and if they are to be held accountable for the delivery of related outputs, they must also be entrusted with the corresponding resources, and given authority commensurate with their level of responsibility and accountability. The system of managerial accountability and responsibility to be established for the United Nations must also address, therefore, the issue of the delegation of authority.

6. The system must effectively frame all aspects of the operation of the Organization, taking an integrated approach. Such a system must also lend itself to a "process-system" approach, i.e. one that is dynamic rather than static. On that basis, the processes of assigning responsibility, delegating authority and ensuring accountability will represent a flow of interrelated actions towards the achievement of clearly defined objectives. An established set of procedures will ensure adequate monitoring and control.

7. The scope of the system of accountability and responsibility will not be restricted in its application to senior officials only, i.e. to under-secretaries-general, assistant secretaries-general and directors. The principles of responsibility, authority and accountability should in fact govern the conduct of the entire staff. Similarly, the scope of the system will not be restricted to Headquarters. It will extend to offices away from Headquarters, the regional commissions, peace-keeping and other field operations. Finally, due regard will be paid to the fact that several elements of a United Nations

system of accountability and responsibility must be considered in the context of the common system applicable to the United Nations and the specialized agencies.

8. In the context of the Organization, the three concepts of responsibility, authority and accountability underlying such a system are interpreted in the following way.

A. Responsibility

9. The responsibility for administering the Organization is entrusted under the Charter of the United Nations to the Secretary-General as its chief administrative officer. Responsibility for achieving the strategic imperatives of the Organization is then assigned through the successive levels of management throughout the hierarchy of the Secretariat, as appropriate, to the senior officials/heads of programmes of the Organization, and the officers whom they supervise, and finally, to all other staff.

B. Authority

10. Once responsibility has been assigned, managers must have the human and financial resources and the corresponding authority - the legitimate power delegated to each established position of management within the Secretariat - to carry out the tasks entrusted to them. This includes managers' authority to make decisions, to direct their staff and to expend the resources allocated for the delivery of their mandated outputs, i.e. to implement the programme for which they are accountable. Once there is delegation of authority, it must be respected by all concerned.

C. Accountability

11. Once there is a clear understanding of the responsibilities assigned at all levels of the Secretariat and the requisite authority has been delegated with which to carry out the tasks, and provided that resources appropriate to those tasks have been approved, the outcome - whether successful or not - will be attributed to the efforts of the one to whom the task has been assigned. Accountability will be in direct proportion to the responsibility assigned and the authority delegated.

II. FRAMEWORK OF A SYSTEM OF ACCOUNTABILITY AND RESPONSIBILITY

12. Authority and responsibility for the implementation of the United Nations programme of activities flows from the Organization's principal policy-making organs to the Secretary-General and, through him, to the senior officials of the Secretariat and through the successive hierarchic layers to the staff at large. The required capacity and expertise of the staff and the managers concerned must at all levels correspond to the responsibility assigned and authority delegated and must be balanced by full accountability through the operation of appropriate

mechanisms. An efficient organizational oversight machinery will monitor the operation of the system and will conduct audits, inspections, evaluations and investigations, as well as cooperate with the external oversight machinery serving the General Assembly. The systematic control of the interrelated processes of responsibility, authority and accountability will provide the key to the success in achieving the goals of the Organization and contribute to the Organization's effectiveness and efficiency, as well as to enhanced performance and increased productivity. This process-system is outlined in the chart contained in the annex to the present report.

13. An effective, integrated system is based, therefore, on the following premises: responsibility must be clearly defined; managers and staff must have the resources and authority to carry out their respective responsibilities effectively; accountability must be established at all levels through appropriate mechanisms. This process-oriented approach will be supported by strengthening accountability mechanisms that include a bona fide reward system to motivate staff at all levels, as well as sanctions, namely legitimate and viable administrative measures for non-performers.

III. RESPONSIBILITY AND AUTHORITY

A. Clear definition of responsibility for achieving strategic imperatives

1. Mandates and directives

14. For a system of accountability and responsibility to be effective, the responsibilities of the Secretariat, its senior officials, directors and staff at all levels must be clearly defined. The application of this principle starts with the Secretary-General and his senior colleagues, in order to achieve the strategic objectives mandated by Member States through the intergovernmental bodies, primarily the General Assembly, the Security Council and the Economic and Social Council. In this regard, the very foundation for the mission of the Organization can be found in the Charter of the United Nations, whose provisions define a framework for the Member States to set their goals for the Organization. These goals form the basis for the development of the work programme of the United Nations.

15. Two essential management tools are available to the Secretary-General and his senior managers in this connection. One is the medium-term plan, the principal policy directive for the work of the Organization, which sets out the objectives to be achieved during the plan period and from which the biennial programme budgets are derived, serving as their framework. The other tool is the programme budget itself, which provides an inventory of the outputs, services and activities to be delivered during the biennium, in relation to the resources appropriated by the General Assembly for that purpose and the estimates of extrabudgetary resources for that period.

16. These two instruments have been recognized by both the Member States and the Secretariat as requiring major improvement. A general lack of precision in the stated objectives of the medium-term plan in its existing format precludes

measuring the impact of programmes adequately. Despite the importance attached to the plan by Member States, CPC has noted that in its present form it is little used and that its impact on the work of the Organization is limited. As conceived until now, it is not a document that can be used to ascertain or establish accountability easily.

17. As to the programme budget, clearer statements of objectives to be obtained during the budget period are needed, as well as a clear definition of the relationship between the outputs, services and activities programmed on the one hand and the attainment of these objectives on the other. As of now, no mechanism exists to enable programme managers to refocus their objectives, on an annual basis, and to make the necessary adjustments in their work programmes so as to address the changing demands on the Organization, which have become more and more frequent. Furthermore, a clear link between the programmes and the existing or proposed organizational structure of the Secretariat is lacking in the programme budget, which precludes its use as an instrument to establish accountability, both in terms of programme implementation and resource utilization.

18. As mandated by the General Assembly in its resolutions 47/214 and 48/218 A, a prototype for the medium-term plan is being prepared for submission to the forty-ninth session of the General Assembly through CPC. In its new format, the medium-term plan will provide for more clearly defined objectives that will be result-oriented, so as to facilitate a clearer understanding of what is to be achieved and a subsequent assessment thereof. The new medium-term plan should reflect a congruence of the programme structure with the organizational structure of the Secretariat, so that both programme managers and Member States fully understand the objectives and strategies approved by the General Assembly for the plan period in each area of responsibility.

19. At the same time, the budget instructions provided to guide programme managers in the preparation of their submissions for the proposed programme budget for the biennium 1996-1997 will be designed to achieve improvements in the programme budget. This will involve clearer indications of lines of responsibility for implementation of the work programme, the provision of organigrams showing in greater detail the allocation of responsibility for such implementation and a better definition of the activities programmed. Most importantly, the design of the programme budget for the biennium 1996-1997 will link more clearly the resource-allocation process - budgeting - to the Organization's strategic imperatives, as identified in the medium-term plan.

2. Definition of the statutory and organizational framework of the Organization

20. The legislative norms to which staff members at all levels are to be made accountable must be clear, unambiguous, coherent, comprehensible, duly promulgated and available to both the supervisors and those supervised. However, this can be accomplished only if the established hierarchy of the internal laws of the Organization is, at all times, recognized and respected.

21. The proper hierarchy for the United Nations normative instruments consists of the following: the Charter of the United Nations; regulations adopted by the General Assembly; resolutions of the General Assembly and other principal organs having legislative competence; regulations adopted by subsidiary bodies of the United Nations upon delegation from the General Assembly; rules established by the Secretary-General and, by delegation, the executive heads of subsidiary bodies and other programme managers; and selected bulletins and administrative instructions that set forth the procedures and modalities for the implementation of these norms.

22. A review already in progress has demonstrated the need to revise and formalize the rule-making practices and procedures of the Organization so that, among other things:

(a) The legislative hierarchy is consistently observed and complied with;

(b) Norms and administrative issuances are reviewed and updated on a regular basis;

(c) All issuances are published and disseminated in a manner that facilitates easy reference.

23. It has therefore become imperative that the Secretariat undertake the task of identifying particular areas within this legislative framework that should be consolidated and reproduced in a form that permits reasonably easy reference, retrieval and updating. As of now, the review includes the Financial Regulations and Rules of the Organization, the procurement process and procedures at Headquarters, for field missions and in the field; the Staff Regulations and Rules, including an organizational manual reflecting lines of authority and a Secretariat organizational chart; the Secretary-General's bulletins and administrative instructions; and the list of staff of the Secretariat.

24. A review of the Financial Regulations and Rules is being undertaken, with a view to the submission to the General Assembly, for consideration at its fiftieth session, of a revised text to reflect developments in terms of how to deal, inter alia, with emergency situations and to improve delegation of authority, as explained below (see sect. III.B.2). A review of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget and Monitoring of Implementation and the Methods of Evaluation is also due.

25. The procurement process and related management issues at Headquarters, for field missions and in the field, will be reviewed in 1994 by an independent high-level group of procurement experts drawn from Member States. The group of experts will review these procurement processes and make recommendations to provide a basis for the formal adoption of a more responsive and coherent policy for peace-keeping operations and other field missions administered by the United Nations Secretariat. In view of the degree to which the magnitude of procurement activities in the United Nations has escalated, consideration will also be given to the establishment of a full-time committee on contracts. The group of experts will be guided and assisted by a steering committee chaired jointly by the Under-Secretaries-General for Administration and Management and

for Peace-keeping Operations. The new policy is intended to establish the responsibility for an efficient and responsive procurement process, which ensures that goods and services are obtained, including those for field missions and in the field, in an expeditious, timely and cost-effective manner. At the same time, the policy will include revised procedures to provide for a truly competitive, fair and transparent process, including the establishment of clear lines of authority and accountability, and inherent control mechanisms.

26. With regard to the Staff Regulations and Rules, currently an annual review is prepared and presented to the General Assembly. A much more comprehensive review to create a more coherent, simplified and easily updated body of rules and procedures is under way.

27. A new format for the Organizational Manual will be developed by the end of the year; and with the help of an interdepartmental working group, work will begin in 1995 to update and rewrite the Organizational Manual. A Secretariat organizational chart reflecting the changes that the Secretariat has undergone during its recent restructuring will be prepared in the context of the preparation of the proposed programme budget for the biennium 1996-1997. A number of Secretary-General's bulletins in the ST/SGB/Organization series have been reviewed and revised as necessary, particularly those relating to areas of the Secretariat that have been affected by the restructuring. This work is continuing and it is expected that, by the end of the year, most of the required bulletins will be issued. An interim list of staff of the United Nations Secretariat (ST/ADM/R.46), with staff listed by organizational unit, was issued in May 1994.

28. On a more general level, the standards of conduct for staff members in international organizations, including the United Nations, are the subject of a report on the standards of conduct in the international civil service, prepared in 1954 by the International Civil Service Advisory Board (ICSAB), and commonly referred to as the "Code of Conduct". That report contains a series of considerations and recommendations, which are essentially ethical guidelines for the conduct of international civil servants. Such considerations relate to:

(a) Conduct within the Secretariat;

(b) Relations with Governments and State representatives;

(c) Political activities;

(d) Relations with the public;

(e) Outside activities;

(f) Conduct of staff away from Headquarters;

(g) The private life of staff members.

29. Because of the soundness of its considerations and recommendations, the report has regularly been invoked in assessing the appropriateness of the conduct of United Nations staff members. However, it is important to recognize

that the report itself was never conceived of as a substitute for mandatory rules nor was it intended to have such general application. Moreover, it should also be recognized that, in the 40 years that have elapsed since the report was issued, the tasks and activities of the United Nations have expanded dramatically and its staff has continued to be faced with a variety of responsibilities and situations that were both unforeseen and unforeseeable at the time the ICSAB report was prepared.

30. As part of the establishment of an effective system of accountability and responsibility, the report will be reviewed in its entirety and its subject-matter updated with a view to enacting a truly comprehensive code of conduct for the Organization. The examination and updating of the 1954 ICSAB report is being undertaken in the light of the experience that the United Nations has gained in its application over the past 40 years and in anticipation of the new challenges that the Organization will face in the future.

31. The preparation of a formal United Nations code of conduct has already begun. Once it has been completed, the Code will be re-examined specifically with a view to identifying those particular ethical guidelines that are sufficiently important to warrant, in and of themselves, actual promulgation as mandatory ethical imperatives pursuant to the United Nations procedures for so doing.

32. Once all documents describing the organizational and statutory framework of the Organization, including what is expected of the staff, have been identified as requiring revision and consolidation, the necessary work will be carried out and the documents will be issued in a format that permits easier reference, retrieval and updating. It is anticipated that this will also include the Personnel Manual and related procedural manuals; the Financial Manual and related procedural manuals; and a field administration handbook. Mechanisms will be incorporated into the new formats for these documents to permit their continuous updating thereafter.

3. Provision of information and policy guidance

33. While precise and comprehensive written instruments assigning responsibility are essential for providing a sound basis for a system of accountability and responsibility, policy guidance, information and instructions must nevertheless be provided through ongoing communication between the Secretary-General and the heads of departments, offices and main organizational units, between those senior managers and their directors and managerial staff, between directors and their managers and with all staff. Furthermore, to facilitate concerted action to resolve issues of common interest, such a flow of guidance and advice must be supplemented by sharing relevant information and experience on a cross-departmental and organizational basis. Finally, appropriate mechanisms must be in place to ensure that sufficient information is provided to the Secretary-General and his senior managers on the objectives and principal activities of all departments, offices and main organizational units and on areas where problems or difficulties can be anticipated. This is indispensable to facilitate future guidance by the Secretary-General and to

ensure accountability of the heads of departments, offices and main organizational units.

34. In the past year, a number of initiatives have been taken by the Secretary-General in this connection.

35. One such initiative is the establishment of the Secretary-General's Task Force on Operations in response to the need for greater coordination and sharing of information and experience between the departments responsible for action by the United Nations in the political, peace-keeping and humanitarian areas. The Task Force, which is convened weekly, is chaired by the Secretary-General or in his absence, by the Under-Secretary-General for Political Affairs. Its membership includes also the Under-Secretaries-General for Administration and Management, Humanitarian Affairs and Peace-keeping Operations, the Legal Counsel and the senior advisers to the Secretary-General. Its meetings ensure that all the senior managers involved in the handling of a given operation or in the resolution of similar problems arising in political or field operations are fully cognizant of the policy set by the Secretary-General on the basis of mandates from Member States and receive clear guidance, as appropriate, for the implementation of that policy.

36. In addition, the Secretary-General has decided to resume the practice of periodic meetings of United Nations senior managers in the economic and social field, under his chairmanship. The purpose of these meetings is to consider substantive as well as management and administrative issues and decide on actions that can advance the Secretary-General's objective of more coherent United Nations policies and a more integrated United Nations programme in support of development. The first of these meetings took place in June 1994, with the participation of the executive secretaries of the regional commissions and the heads of all Headquarters departments and programmes in the economic and social field.

37. In the area of the administrative and financial functioning of the United Nations, the Secretary-General, also with a view to ensuring a coherent and unified policy within the Organization, established in January 1994 the Advisory Panel on Management and Finance. The Advisory Panel, consisting of all senior managers at Headquarters, primarily at the level of under-secretary-general, and the senior advisers to the Secretary-General, meets every month to discuss, inter alia, modalities for implementing General Assembly decisions and the development of new initiatives for improving the efficiency of the administrative and financial functioning and management of the United Nations, the medium-term plan and the programme budget. The Under-Secretary-General for Administration and Management normally chairs the meetings of the Advisory Panel, but the Secretary-General has personally chaired a number of them. Among the issues that have been reviewed by the Panel in 1994 are the financial situation of the Organization, the programme budget outline for the biennium 1996-1997, training priorities for the Organization and the preparation of reports on major administrative and budgetary issues for the resumed forty-eighth and the forty-ninth sessions of the General Assembly.

38. In the area of management and finance also, but closer to the operational level, monthly meetings have been held since January 1994 between the senior

officials responsible for the budget and personnel and executive officers at Headquarters. This initiative has met the need for departments to be briefed regularly on administrative practices and procedures so as to ensure smooth administrative backstopping for the implementation of the work programme carried out by each department. In addition, these monthly meetings have provided a forum for the exchange of experience and views among executive officers. The minutes of these meetings are distributed to the chiefs of administration at offices away from Headquarters for their information.

39. At the level of individual departments, offices and main organizational units, workshops have been organized throughout 1994, with the assistance of the Training Service of the Office of Human Resources Management, to clarify for each their mission, objective, allocation of responsibility, priorities, constraints and challenges. One of the aims of these workshops has been the development of strategies for improving communications and sharing information within and among departments, offices and main organizational units. It may be noted that these workshops are not limited to senior management. They usually include directors and senior managerial staff - chiefs of divisions, services, sections, units and, where appropriate, counterparts from other duty stations or offices. In 1995, similar activities will be carried out to include all staff responsible for identifiable outputs within the work programme of each entity, so that a common understanding of the strategy for the implementation of the work programme may emerge and be accepted for the purpose of harnessing the efforts of each department, office and main organizational unit in a common direction.

40. Training will be provided to all managers and staff involved in setting work objectives on the basis of the mandates applicable to the work of the unit, in translating them into concrete assignments and actions necessary to meet these objectives and complete assignments and in setting indicators to assess performance.

41. Finally, the entire staff of the Secretariat will be subject, effective 1 January 1995, to a new work-programme-based performance appraisal system (PAS) that emphasizes performance management and the issuance of guidelines and the discussion of assignments and responsibilities between managers and supervisors and their staff. The new PAS guidelines establish the series of steps and phases to be observed by supervisors and staff members in clarifying work assignments and responsibilities for the year of the appraisal cycle. Supervisors and staff members will discuss and agree on work assignments and deadlines at the beginning of the year for the upcoming annual appraisal cycle.

B. Need for managers and staff to have the necessary authority, and fully understand that authority, with regard to all available resources and relevant policies, directives and regulations, for the effective discharge of their responsibilities

1. Information on available resources

42. In order to exercise their authority effectively, it is essential and fundamental that managers have access to all relevant information required. If the premise is accepted that the authority of managers in the Organization must be strengthened as a prerequisite for assigning responsibility and rendering managers accountable, it follows that managers must have access, inter alia, to full information on all resources available to them for the implementation of their work programmes.

43. Taking advantage of the facilities offered by the Integrated Management Information System (IMIS) as they become available, directors and senior managerial staff, as well as heads of departments, offices and main organizational units, will have at their disposal, on a routine basis, up-to-date and complete information on the resources available to them and information on how the resources allocated to their programmes are being deployed. Heads of departments, offices and main organizational units, directors and senior managerial staff will be briefed on the information available to them through IMIS, either on line or through printed reports. The necessary infrastructure will be put into place for them and their offices to access available information directly, and their executive offices will be requested to forward printed reports to them on a regular basis.

44. This concerns in particular staffing and financial information such as staff lists, staffing tables, post incumbency reports, expiration dates of appointments, allotment advices, monthly statements of allotment reports, as well as other management tools. Eventually they will have access to the performance appraisal forms and the skills register giving details on each of their staff. As part of the management training courses described below, specific attention will be given to the way this information is to be used for analysis and planning purposes.

45. This approach entails a rethinking of the role of the executive offices and divisions of administration of the Secretariat's departments, offices and main organizational units which, to a certain extent, have up to now been the privileged if not the only counterparts of central administration in the handling of most matters pertaining to the administration of the programme budget and extrabudgetary resources made available to the Organization.

46. IMIS, once in place, would provide the Department of Administration and Management with reliable information with which to monitor the personnel and financial situation of the Organization effectively and to take promptly the corrective actions that may be required. By keeping a detailed log of the users who processed and approved the individual transactions in the system, IMIS will also provide a tool for increasing the accountability of the staff members concerned.

2. Delegation of authority

47. A main objective of the reorganization of the Department of Administration and Management was to establish clear lines of responsibility and accountability. The new structure reflects a clear definition of the authority and scope of responsibilities of the Under-Secretary-General for Administration and Management in relation to each of the functions entrusted to the Department. An issue that must be addressed in the light of the development of a system of accountability and responsibility, as well as the reorganization of the Department of Administration and Management, is the extent to which the authority for the management of human and financial resources Secretariat-wide should be delegated from that department to departments, offices and main organizational units, both at Headquarters and in the field. This issue has become increasingly critical over the past few years. In particular, the multiplication of field operations in the peace-keeping, political and humanitarian areas, as well as the increasing role of the regional commissions and offices away from Headquarters, have highlighted the deficiencies of the heavily centralized administrative system under which the Organization has operated. The role and function of the component offices of the Department of Administration and Management is one of administrative support to other departments, offices and main organizational units in the implementation of their programmes, and of rendering all administrative assistance to programme managers so that they may utilize their resources with greater flexibility and particularly enhance the performance of their human resources to achieve their optimal levels of productivity, so that mandated outputs are delivered as effectively and efficiently as possible.

48. It has become more and more apparent that a greater decentralization of the responsibility for certain activities in financial and human resources and support services administration and management must be achieved by delegating authority to departments, offices and main organizational units both at Headquarters and elsewhere, in the interest of making day-to-day operations as expeditious and effective as possible. At the same time, both the General Assembly and the Secretary-General have emphasized the importance of achieving a proper balance between administrative decentralization and central control, monitoring and coordination and of ensuring that decentralization does not result in the loss or weakening of coherent overall policies, consistently applied.

49. At the level of individual departments, offices and main organizational units, so that senior managers may be held accountable, an appropriate balance must be achieved between the authority that managers must have over all resources available to them for the implementation of their programmes and the authority delegated to the administrative entities that support their programme activities. What is required is to bring about greater cohesion between programme managers on the one hand, who are predominantly concerned with the implementation of the mandates from legislative bodies in their areas of responsibility, and the administrative staff in executive offices and divisions of administration, who have in a sense dual responsibility and accountability. Executive offices and divisions of administration are accountable first and foremost to the heads of their departments, offices and main organizational units as partners in administration for programme implementation. They are also

accountable, however, to the central administration for the appropriate utilization of resources, particularly under the terms of financial rule 110.4, which defines the responsibility of certifying officers vis-à-vis the Controller.

50. To address this matter, a working group will be established in 1994 by the Under-Secretary-General for Administration and Management firstly to review the issue of the delegation of authority at Headquarters and then, based on preliminary findings and conclusions, the working group will study the situation at offices away from Headquarters. The working group will include representatives of the Department of Administration and Management in the areas of budget and financial management, human resources management and support services and representatives of departments, offices and main organizational units to which authority is delegated. In the context of this review of the broader issues of delegation of authority, there will also be a reassessment of the relationship between the officials who are vested with administrative and certifying authority in executive offices and divisions of administration at the departmental, office or main organizational unit level, and their programme managers.

51. The Office of Human Resources Management has already begun to review, as one of its top priorities, the existing system of delegation of authority in personnel administration to executive offices and chiefs of administration and human resources management at other duty stations. The objective of the review is to identify those areas of activity where authority could be delegated in the interest of a more efficient human resources management system without a loss of overall policy coordination, without the fear of abuse and without a loss of basic protection for the acquired rights of staff. As noted above, the system-wide implementation of IMIS in the area of human resources is a prerequisite for significant changes in the delegation of authority. IMIS will facilitate regular monitoring of the correct and consistent use of the delegation of authority, without inhibiting programme managers from exercising their authority in an effective manner.

52. It should be noted that in view of the urgency of revising existing rules and procedures governing the delegation of authority to field operations, including peace-keeping operations, priority is being given at this time to the delegation of authority by the Department of Administration and Management to those operations. A detailed review of such rules and procedures in the areas of personnel administration, finance and procurement is already under way. In the area of human resources, a new, less rigid, series of rules for the recruitment and administration of staff on contracts of limited duration, particularly in peace-keeping and other field operations, has been devised and will be reviewed by the General Assembly at its forty-ninth session. Similarly, it is intended to submit to the General Assembly for consideration at its fiftieth session proposals for possible revisions to the financial regulations in the area of peace-keeping.

53. As early as possible in 1995 and subject to the decisions of the General Assembly at its forty-ninth session, the appropriate rules and administrative instructions concerning delegation of authority for peace-keeping operations will be issued by the Secretary-General. The rules and procedures to be set in

place will provide for mechanisms to assist in and monitor the implementation of the new measures.

54. With respect to the activities of the Organization in areas other than peace-keeping and field operations, starting in January 1995 a review of the Financial Regulations and Rules under article X, Internal control, will be carried out on the basis of the findings of the working group on the review of the delegation of authority referred to above, with the objective of submitting revisions to the regulations for consideration by the General Assembly at its fiftieth session. The objective of this review will be to strengthen and supplement current provisions requiring compliance with those Regulations and Rules, and to eliminate any existing ambiguities in the text. Particular attention will be paid to strengthening provisions on fraud, waste and abuse and to the authority of managers in this regard.

3. Empowerment of managers

55. Individual managers must be empowered to make decisions not only on the use of approved and available resources, but also on the implementation of the programmes and activities at their level. Delegating authority is one of the most important skills that managers in the Organization must develop at every level, including heads of departments, offices and main organizational units, directors and their senior managerial staff, and supervisors. The empowerment of managers to make decisions and to take action is important for at least five reasons:

(a) It enables managers to extend their capacity through the optimal use of their supervisory and staff resources;

(b) It encourages innovation and creativity to improve quality and production, leading to a sense of achievement and job satisfaction;

(c) It ensures that decision-making takes into account the experience and specialized expertise that exist at the operational level;

(d) It promotes communication among managerial and supervisory staff for the exchange of views and experience;

(e) It confronts managers with the challenges that prepare them for higher-level functions.

56. Managers must also be clear about their authority to make decisions and carry out their assigned responsibilities, because they will ultimately be held accountable for programme delivery. With regard to performance management and within the new PAS, the expected level of performance must be specified clearly and completely, including the constraints under which the subordinate will be operating, the level of initiative expected and, in many cases, the type of action required. Reporting procedures and schedules must be established. All who will be affected by these arrangements must be informed appropriately. All existing information relevant to the implementation of the programme or the

accomplishment of the task should be passed on as and when it becomes available. Finally, this policy must be applied consistently.

57. To this end, departments and offices at Headquarters began in 1994 the preparation of statements defining the authority of each manager, beginning with the level of senior management, as well as elaborating the responsibilities assigned to them and the accountability mechanisms for monitoring and controlling the implementation of their programmes and activities.

58. The statements defining the authority of each position of management make specific reference to the relevant legislative mandates, regulations, rules or directives and in each case define lines of authority and establish reporting procedures. The statements include the level of expenditure that may be approved by the manager; the authority of the manager over staff in areas such as assignments, travel or leave; signing authority; and the authority to represent the department, office or organizational unit and to make presentations or public statements. These statements will be reviewed on an ongoing basis and adjusted and updated as necessary.

59. Beginning in 1995, and based on the experience of Headquarters, a similar exercise will be carried out at offices away from Headquarters, including peace-keeping and other field operations.

4. Training of programme managers and supervisors

60. Programme managers and supervisors must be clear not only about their authority, but also how to use it to carry out their assigned responsibilities. To this end, they must be provided with training in a number of areas related to management skill development. Programme managers and supervisors in the United Nations could derive benefit from practical training in both the concepts of decision-making processes and some sharing of practical experience in how to undertake their management responsibilities in meeting the objectives of the Organization. The major objective of management training is to empower programme managers and supervisors to see the benefits of employing the full resources available to them, particularly through their staff.

61. To meet this objective, the Training Service of the Office of Human Resources Management has established a comprehensive management training programme with an integrated approach to training programme managers and other supervisors in the broad range of management competencies that they are required to have to exercise their responsibilities effectively. The training programme covers a number of areas, emphasizing leadership, planning, managing financial and human resources and the linkages between their responsibilities and the accountability framework. During the past year, the Training Service has delivered a number of integrated courses with a specific focus on empowering managers better to discharge their responsibilities and has planned others for implementation by the end of the year, and beyond.

62. Related activities include the following:

(a) The conduct of 13 workshops for departments, offices and main organizational units as of August 1994, with the remaining 4 planned for the rest of 1994, to discuss the linkages, concepts and practices of establishing a mission statement, objectives, responsibilities, priorities, etc.;

(b) The conduct of a special orientation programme for under-secretaries-general and assistant secretaries-general on programme planning, financial management and the budget process, human resources management and other current management issues;

(c) The development of an orientation guide or handbook for under-secretaries-general and assistant secretaries-general;

(d) The provision of training in the application and use of the new PAS.

63. As part of the strategy for implementing IMIS, and so as to improve their decision-making capability, all programme managers are being given specific training in how to maximize all the benefits of the information management opportunities available under IMIS.

5. Training of staff

64. Bearing in mind the fact that staff costs represent a major portion of the United Nations budget, human resources must be used and managed as efficiently as possible. While it is important to increase the mobility of staff to meet the requirements of new programmes and activities, and to recruit qualified staff when necessary, training is essential to ensure that the Organization has at its disposal the skills and expertise needed to meet the new challenges with which it is confronted.

65. Therefore, in addition to the training of programme managers and supervisors, the Training Service has developed a training programme to update the professional and technical knowledge and skills of staff. This training aims at providing the staff with the tools necessary to respond to new challenges and perform diversified tasks efficiently and effectively, as required by the changing work programme of the Organization.

66. The training programme has been developed following consultations with departments and offices, including those away from Headquarters. It covers a selection of substantive areas, including peace-keeping, preventive diplomacy, conflict resolution, sustainable development, international law, economics, statistics and demography. At the same time, training activities in areas such as technological innovations, languages and interpretation and translation skills have been maintained or expanded.

67. In addition, training programmes are being developed and courses will begin in 1994 for support personnel for peace-keeping and other field operations. The objective of training support personnel is to build a competent and principled cadre of individuals, with the highest professional and ethical standards. The

support areas critical to these operations, which will be included in the training programme, are finance, personnel administration, procurement, general services administration and legal services.

68. Staff training is to be linked directly to the development of performance management Secretariat-wide, including the implementation of the new PAS and the establishment of a system of accountability and responsibility. In combination, these measures should provide managers and their staff with the necessary tools to perform more effectively and efficiently.

IV. ACCOUNTABILITY MECHANISMS

69. In section III above on responsibility and authority, some essential conditions necessary for the establishment of a system of accountability were outlined. The measures defined contribute to a clearer definition and a better understanding of the responsibilities assigned to programme managers and staff at all levels and to a strengthening of the authority they require to execute their responsibilities effectively. They must be accompanied by the establishment of appropriate mechanisms for accountability at all levels.

A. Reporting by the Secretary-General to intergovernmental and expert bodies

70. Accountability starts at the highest level with the obligation of the Secretary-General to report to policy-making organs on the implementation of the programmes that they have mandated. This is currently done through three types of reports. One is the programme performance report, which contains information on the rates of implementation by the Secretariat of the outputs, services and activities cited in the programme budget for the biennium in question and is prepared under the terms of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. The second is a series of in-depth evaluation studies, also prepared in accordance with the same Regulations and Rules, which assess to what extent selected programmes of activity contribute to the attainment of the objectives set forth in the medium-term plan. Finally, the programme budget performance report is prepared under the Financial Regulations and Rules. Towards the end of each biennium, it provides Member States with information on anticipated expenditures of the Organization in relation to the appropriations approved by the General Assembly. These three reports will be improved to ensure full accountability of the Secretary-General vis-à-vis the policy-making organs.

71. The programme performance report apprises Member States of the degree to which the outputs and services cited in the programme budget are implemented and provides explanations for the changes that occur during the biennium. However, in its current format, even taking into account the changes in methodology reflected in the programme performance report for the 1992-1993 biennium 3/ to be submitted to the General Assembly at its forty-ninth session, the programme performance report remains a largely mechanical summation of outputs and services that differ widely in their nature and significance, with

implementation ratios that are not necessarily meaningful. Moreover, its preparation is a heavily centralized exercise based on the review and tabulation of large volumes of data submitted quarterly by the respective programme managers.

72. The report of the Secretary-General on the strengthening of the role of evaluation findings in programme design, delivery and policy directives 4/ contains a proposal to make programme reporting and monitoring less descriptive and quantitative and more of an assessment of the problems and results of implementation. This can be achieved through the utilization of the findings generated by the self-evaluation system. To this end, guidelines are being developed for programme managers to assist them in the implementation of activities and in assessing performance. Performance monitoring and self-evaluation are viewed as an integral part of the managerial oversight responsibility, which requires the generation, on a day-to-day basis, of data and analytical information on implementation and results achieved, including the use of achievement indicators where appropriate. The general guidelines will cover, inter alia, methods for data collection and information gathering, and will be issued in a preliminary form by the end of 1994. These guidelines will be reviewed and further elaborated in accordance with the recommendations of the General Assembly at its forty-ninth session, in time for the preparation of the programme performance report for the biennium 1994-1995.

73. Because in-depth evaluation studies take an average of three years to prepare and focus on relating programmes to the objectives set in the medium-term plan, which are usually very general, their usefulness as an input for subsequent planning and programming has been increasingly questioned. For that reason, a more management-oriented and problem-solving approach to evaluation is being considered rather than one solely centred on objectives. In that context, the report of the Secretary-General 4/ referred to above proposes a drastic shortening of the evaluation cycles from a norm of three years for a study, to one year, and a substantially heavier schedule of in-depth evaluations to match this more intense cycle. At the same time, self-evaluation activities would be merged with monitoring into a more integrated management oversight function at the level of individual departments, offices and main organizational units.

74. Subject to approval by the General Assembly at its forty-ninth session, five major programmes have been scheduled for in-depth evaluation study during the remainder of this and the next biennium, namely, peace-keeping operations, humanitarian affairs, environment, public information and statistics. It is expected that, with the shortened cycle and the resulting increase in the number of programmes evaluated in-depth over the period of the medium-term plan, Member States will be in a position to make better use of the findings of evaluation studies when considering the proposals of the Secretary-General for the next medium-term plan.

75. The programme budget performance report that the Secretary-General submits to the General Assembly through ACABQ at the end of the biennium should allow Member States to verify that the expenditures of the Organization remain within the appropriations as approved, and are incurred only for the purposes approved by the General Assembly. The presentation of the budget performance report has

been revised to show projected expenditures by main object of expenditure, on a basis allowing for easy comparison with the corresponding appropriations in the programme budget. Furthermore, the analytical content of the report is being strengthened so as to present Member States with a clear indication of the various factors that had an impact on resource utilization. These improvements will be reflected in the second performance report for the current biennium.

B. Accountability of programme managers for the implementation of management plans

76. An essential function in management is planning. Effective planning at every level of the Organization is the foundation for the successful execution of all other management functions.

77. The mandates of the Organization and overall policy guidance are provided by the intergovernmental bodies, primarily the General Assembly, the Security Council and the Economic and Social Council, and, as discussed in section III above on responsibility and authority, the medium-term plan and the programme budget are the basic planning tools available to the Organization. The medium-term plan is the principal policy directive for its work. It sets out the strategic objectives to be achieved during the plan period, as mandated by the Member States, and serves as a framework for the formulation of the biennial programme budgets. The programme budget provides an inventory of the outputs, services and activities to be delivered during that period.

78. The successful implementation of the medium-term plan and of the programme of the Organization as defined in the programme budget depends in the first instance on effective management planning by the heads of departments, offices and main organizational units of the United Nations. To this end, the Secretary-General initiated in 1992 a practice whereby all programme managers are required to prepare and submit to him management plans every six months. These six-month plans elaborate the specific objectives that are to guide the work programmes of the organizational entities concerned and set out the tasks to be undertaken by them during the period under consideration in order to meet these objectives. They also identify areas where potential problems or obstacles, including resource constraints, are anticipated in programme implementation or other difficulties that are foreseen in carrying out the tasks set out in the plan, together with proposals to address or overcome them.

79. These plans have helped to clarify and sharpen the focus of the contribution of each organizational entity to the attainment of the substantive policy objectives set out in the medium-term plan and programme budget. They serve as planning and monitoring tools for the programme managers themselves, while at the same time assisting the Secretary-General in the exercise of his overall managerial responsibilities and in achieving the strategic imperatives of the United Nations as a whole. They are an integral part of the effort to introduce improved reporting procedures and more effective standards for measuring and monitoring performance and for quality control, thus strengthening the accountability of managers responsible for implementing the main programmes of the Organization and the capacity of the Secretary-General to exercise effective managerial oversight.

80. Consideration is being given to ways of establishing an improved system for monitoring the implementation of these plans, including expenditures and staffing table administration, and of linking these plans in a more systematic way to the overall programme planning and budgeting process.

81. In connection with the monitoring of budgetary performance, new procedures have been instituted within the central administration of the Organization. In addition to the annual review, which had been the practice, detailed monitoring of expenditures against allotments is now carried out on a monthly basis with a view to providing greater understanding of the needs and performance of departments, offices and main organizational units. This will be particularly facilitated with the development of IMIS and as human resources and financial information becomes more and more available and accessible to programme managers and their executive officers, as well as to the central administration.

82. Moreover, as referred to in the previous section, in his report to the General Assembly on strengthening the role of evaluation findings in programme design, delivery and policy directives, 4/ submitted to CPC at the first part of its thirty-fourth session, the Secretary-General indicated that monitoring and self-evaluation were viewed as an integral part of the managerial oversight responsibility. This requires the generation, on a routine basis, of data and analytical information on implementation and results achieved, including achievement indicators where appropriate. To this end, general guidelines are being prepared for managers that will include methods for data collection and information gathering.

C. Staff accountability for the delivery of outputs and services

83. The system of accountability and responsibility will not be restricted in its application only to senior officials of the United Nations: the principles of responsibility, authority and accountability should in fact govern the conduct of the entire staff. Staff will be accountable for the delivery of outputs and services, both quantitatively and qualitatively. Performance indicators will be established, by which staff members' performance will be assessed. It is intended that managers will focus on the performance management of their human resources and will discuss their expectations with staff individually, applying established performance indicators, so that there is clear understanding and agreement is reached on what is to be done and by what standard. The performance indicators will serve as a "yardstick" to determine if the level of output of services agreed upon has been delivered, whether deadlines have been met and if the expected level of quality of the output produced has been reached. For the Organization, setting objectives jointly agreed to by managers and their staff, and monitoring and conducting periodic reviews to ensure that these objectives are being met, will represent a significant achievement towards reaching the goals of accountability.

84. Staff accountability, as well as performance management, will be greatly strengthened and facilitated by the application Secretariat-wide of the new PAS. The foundation on which the development of the PAS rests is communication between managers and their staff. In this regard, the key components of this

system include the discussion and clarification of work assignments, schedules and deadlines, by managers and their staff at the beginning of each year; based on this, the monitoring and discussion of staff performance during the course of the year, and ultimately, at the end of the year, the review and appraisal of staff performance. With the PAS, the United Nations has set itself on an innovative course of change, whose goal will be reached when the Organization is at the stage where the connection is made between the evaluation of the degree to which managers and all staff have either met or fallen short of their objectives and the resulting rewards or sanctions from such an evaluation.

85. Until the end of September 1994, the PAS will be tested in selected departments, offices and main organizational units. The results of the testing will be evaluated by the end of October 1994, in order to make the appropriate modifications. Application of the new system will then begin in January 1995.

86. The new PAS guidelines set out the importance of having a structured, but balanced, rewards and sanctions system and stresses the link between this system and other human resources management elements such as career development, staff training, job design and classification and administrative measures for non-performance. The new system has been designed to encompass all levels of management, as well as staff, including the most senior programme managers of the Organization. A system of rewards and sanctions to be developed would also be applied as appropriate.

87. Indeed, elements of such a reward/sanction system are already in the regulations and rules of the Organization. Some are being proposed in the new PAS system; others are under discussion in inter-agency forums such as the Consultative Committee on Administrative Questions (CCAQ) and the International Civil Service Commission (ICSC); still others are identified in the promotion and placement policies launched in November 1993. Until now, though, these elements have been imprecise, not necessarily transparent to staff and scattered over a number of issuances and differing systems and processes.

88. To remedy this situation, the Secretariat is developing a balanced system of rewards for good performance and sanctions for poor performance. By the end of 1994, the Secretariat will have completed the review of guidelines designed to ensure that administrative actions affecting the status or career of staff members are more directly linked to performance.

89. Rewards linked to good performance are linked also to developing communication strategies and a motivation culture in the Organization. Examples of those that call for management skills, but require no change or are already provided for in the Staff Regulations and Rules, include:

(a) Providing ongoing feedback for staff performance, formally and/or informally;

(b) Giving recognition, such as through participation in more senior management meetings, notes of appreciation or formal letters of commendation to be included in personnel records;

(c) Preferred or flexible assignments, extra responsibilities that may be more interesting or gratifying, including short-term missions and field operations;

(d) Enhanced training opportunities, including attending/participating in conferences, trade shows, etc., particularly those with an orientation towards career development or mobility;

(e) Extending fixed-term appointments and granting permanent appointments based on performance.

90. Other rewards, such as acceleration of in-grade increments, are under consideration, but will require change or adjustment to the existing regulations and rules.

91. In the case of unsatisfactory performance appraisal, when it is determined that a staff member does not perform in the prescribed and agreed upon manner, a number of administrative measures already exist as sanctions to enforce accountability. These include the following:

(a) Denial of in-grade increment;

(b) Reassignment with an opportunity to improve performance;

(c) Non-extension of fixed-term appointment resulting in separation from service, or non-conversion of probationary to permanent appointment, resulting in either separation or extension of probationary period;

(d) Under staff regulation 9.1 (a), termination of the permanent appointment of a staff member whose probationary period has been completed, if the services of the individual concerned prove unsatisfactory;

(e) Under staff regulation 9.1 (b), termination of a fixed-term appointment of a staff member, if services prove unsatisfactory;

(f) Under staff regulation 9.1 (c), separation during the probationary period, in the interest of the Organization.

92. The possibility of linking career appointments to performance was presented when the Secretary-General, in June 1994, decided in principle to end the suspension imposed in February 1992 on the granting of career appointments. The Under-Secretary-General for Administration and Management established a task force to review the modalities for the implementation of the decision and, at the same time, the whole process by which career appointments are granted. The task force has not completed its work yet, but it has already been agreed that performance standards should be more rigorously applied than in the past. Specific recommendations will be submitted to the Secretary-General by September 1994.

93. As indicated, elements of a reward/sanction system are also under discussion at the inter-agency level. In 1993, ICSC had agreed on a package of

measures as guidelines for the appraisal and recognition of the performance of staff. At its fortieth session, held in June 1994, ICSC presented the package in the context of the work under way concerning the application of the Noblemaire principle. 5/ The ICSC proposals were designed to provide a framework for organizations to use in improving the appraisal and recognition of performance. The issue of greater managerial accountability is also being given special attention in CCAQ and the Administrative Committee on Coordination.

D. Administration of justice

94. With regard to the administration of justice in the United Nations, the General Assembly stressed, in its resolution 47/226 of 8 April 1993, the importance of a just, transparent, simple, impartial and efficient system of internal justice at the Secretariat and requested the Secretary-General to undertake a comprehensive review of the United Nations system for the administration of justice, in response to its resolution 45/239 B. In this connection, a task force was created by the Under-Secretary-General for Administration and Management.

95. The main observation of the task force was that there is a need for an overhaul in the administration of justice in such a way as to reduce delays and streamline the numerous applicable policies, regulations, rules and administrative issuances. The task force proposed a number of new measures and mechanisms for priority implementation in 1995. These include a complete reform of the present administrative review system. Moreover, measures were proposed to encourage settlement through informal channels, such as through the office of an ombudsman. Finally, the existing system whereby the Secretary-General receives advice from the Joint Disciplinary Committee in disciplinary cases and from the Joint Appeals Board in cases of appeal against administrative decisions will be completely revamped in order to create a more transparent and credible system that will better serve the Organization and staff.

96. The conclusions of the task force will be the subject of a report by the Secretary-General to the General Assembly at its forty-ninth session.

E. Development of the organizational oversight machinery

1. Office for Inspections and Investigations

97. A significant initiative towards the strengthening of accountability in the Secretariat was the decision of the Secretary-General to establish the Office for Inspections and Investigations, an independent internal oversight mechanism reporting directly to the Secretary-General, as a first step towards the establishment of a broader audit, evaluation and investigation authority. The Office was established to provide comprehensive audit, inspection and investigation services to the Organization. It was given the authority to initiate any audit, inspection or investigation it considered necessary without any hindrance or need for prior clearance.

98. The objectives of the Office were conceived to ensure compliance with the resolutions of the General Assembly and with the regulations, rules and policies of the United Nations; to monitor programme implementation and evaluate the results achieved; to assess the Organization's systems of management and control; to investigate mismanagement and other practices with a view to preventing waste, abuse and malfeasance; and to recommend policies and measures for the promotion of economy and efficiency based on its audits, evaluations, inspections and investigations.

99. The Office has coordinated its activities with the Board of Auditors of the United Nations and JIU, with respect to the implementation of their recommendations and in order to minimize duplication of effort. It has maintained a close relationship with the internal audit services of the United Nations system.

100. The Office for Inspections and Investigations was established by Secretary-General's bulletin ST/SGB/262 of 24 August 1993. A detailed description of the functions of the Office is contained in bulletin ST/SGB/268 of 23 November 1993, and a note by the Secretary-General to the General Assembly of the same date. 6/

2. Office of Internal Oversight Services

101. The Secretary-General welcomes the adoption by the General Assembly of resolution 48/218 B on 29 July 1994, establishing the Office of Internal Oversight Services, an important cornerstone in the development of an organizational oversight machinery for the United Nations.

102. The Office will assume the functions prescribed for the Office for Inspections and Investigations in the report of the Secretary-General, 6/ as amended by resolution 48/218 B and subject to the modalities defined therein, with a view to strengthening the executive capabilities of the Secretary-General. With regard to its mode of operation, the Office of Internal Oversight Services will exercise operational independence under the authority of the Secretary-General in the conduct of its duties and, in accordance with Article 97 of the Charter will have the authority to initiate, carry out and report on any action it considers necessary to fulfil its responsibilities with regard to monitoring, internal audit, inspection, evaluation and investigation. The Office of Internal Oversight Services will assist the Secretary-General in fulfilling his internal oversight responsibilities in respect of the resources and staff of the Organization. The Office of Internal Oversight Services, inter alia, may also advise programme managers on the effective discharge of their responsibilities, provide assistance to programme managers in implementing recommendations, ascertain that programme managers are given methodological support and encourage self-evaluation.

103. In accordance with resolution 48/218 B, the Secretary-General will ensure that a set of procedures are elaborated to facilitate the work of the Office of Internal Oversight Services in the areas of the implementation of recommendations and reporting, including the resolution of disputes; to provide direct confidential access of staff members to the Office, and for protection

against repercussions, for the purpose of suggesting improvements for programme delivery and reporting perceived cases of misconduct; and to protect individual rights, the anonymity of staff members, due process for all parties concerned and fairness during investigations. It will ensure that falsely accused staff members are fully cleared and that disciplinary and/or jurisdictional proceedings are initiated without undue delay in cases where the Secretary-General considers it justified.

104. Finally, the Intergovernmental Working Group of Experts established pursuant to General Assembly resolution 48/218 A is continuing its study of the possibility of establishing a new mechanism or to extend the mandates of existing mechanisms to address alleged cases of fraud in the United Nations. At its recently concluded second session, the Group, inter alia, reviewed the size of the problem of fraud committed from within and without the United Nations; existing rules, procedures and mechanisms dealing with the prevention and detection of financial irregularities; and disciplinary mechanisms. 7/ The Group, which will hold its third and final session in September 1994, will report to the General Assembly at its forty-ninth session.

V. CONCLUSION

105. The basics of a transparent and effective system of accountability and responsibility in the United Nations will be in place by 1 January 1995. While some elements essential to the system were already planned or in place in the Organization, it has been necessary in many cases to develop further the existing elements, or to refine or redesign them as appropriate, to add others as necessary and to integrate them so as to form a coherent, interactive system.

106. An effective system of accountability and responsibility depends in the first instance on the clarity of objectives and rules, resulting in a clear mission statement for the Organization, from which its strategic imperatives may be derived. The large number of existing legislative instruments (basic legislative instruments, such as regulations, resolutions and decisions) makes it difficult for the Secretariat to ensure that the policies and mandates emanating from intergovernmental bodies are consistently and properly applied. Legislative instruments used within the Secretariat (subsidiary legislative instruments such as rules, bulletins, administrative instructions, etc.) are also in many cases too detailed. Consequently, managers and staff currently spend an inordinate amount of time trying to navigate through the maze of legislative requirements, and prepare an ever-increasing number of reports on their activities, at the expense of programme implementation.

107. There is now an urgent need, therefore, for considerable deregulation in the Secretariat in order to enhance the capacity of managers, to allow them greater flexibility in the use of resources, particularly human and financial, and to encourage greater initiative and innovation - in brief to manage better. Accordingly, in the context of the establishment and development of a system of accountability and responsibility, a thorough review of the Organization's legislative instruments is required with a view to simplifying and clarifying them. Correspondingly, existing subsidiary legislation will be streamlined to ensure internal cogency and consistency with basic legislation and revised so as

to create a straightforward and coherent body of legislative norms, that will lead to greater efficiency and effectiveness in the United Nations.

108. It must be emphasized, however, that the introduction of a transparent and effective system of accountability and responsibility is more than setting forth or revising procedures, regulations and rules. An important element in the development of the system is the promotion of a new "management culture". The significance of the process-system approach in this culture is that it recognizes that responsibility, authority and accountability are interactive and inextricably linked; and that it is the effective interrelationship of responsibility, authority and accountability that drives the Organization to achieve its strategic objectives.

109. In the establishment of a transparent and effective system of accountability and responsibility, it would be unwise to downplay the magnitude and complexity of the problems and obstacles in the culture of the United Nations, which has been evolving over the course of almost half a century. Nor should the difficulties to be confronted in resolving the problems be underestimated, in particular the need to change attitudes and established and well-entrenched bureaucratic working habits. That having been said, the Organization must transform itself. In so doing, the utmost care should be taken to develop a real "management culture", to put measures in place that will encourage improved performance and higher levels of productivity and ensure quality work. Managers must have the flexibility they need to take initiative and be innovative, so that there is incentive for managers to achieve economies in the implementation of their work programmes, and then have the freedom to utilize the resources released through economies in other priority areas within the scope of their programme responsibility. In short, the objective of this exercise should be the creation of a mission-driven and result-oriented Organization in which the Secretariat and the intergovernmental bodies interact on an ongoing basis, but have the confidence to concentrate their efforts on their respective functions: the execution of legislative mandates and the management of programme implementation in the case of the Secretariat and, in the case of the intergovernmental bodies, the provision of mandates and overall policy guidance.

Notes

1/ Official Records of the General Assembly, Forty-eighth Session, Supplement No. 16 (A/48/16), Part II.

2/ A/48/420 and Add.1 and Add.1/Corr.1.

3/ A/49/135 and Add.1.

4/ A/49/99.

5/ Official Records of the General Assembly, Forty-ninth Session, Supplement No. 30 (A/49/30).

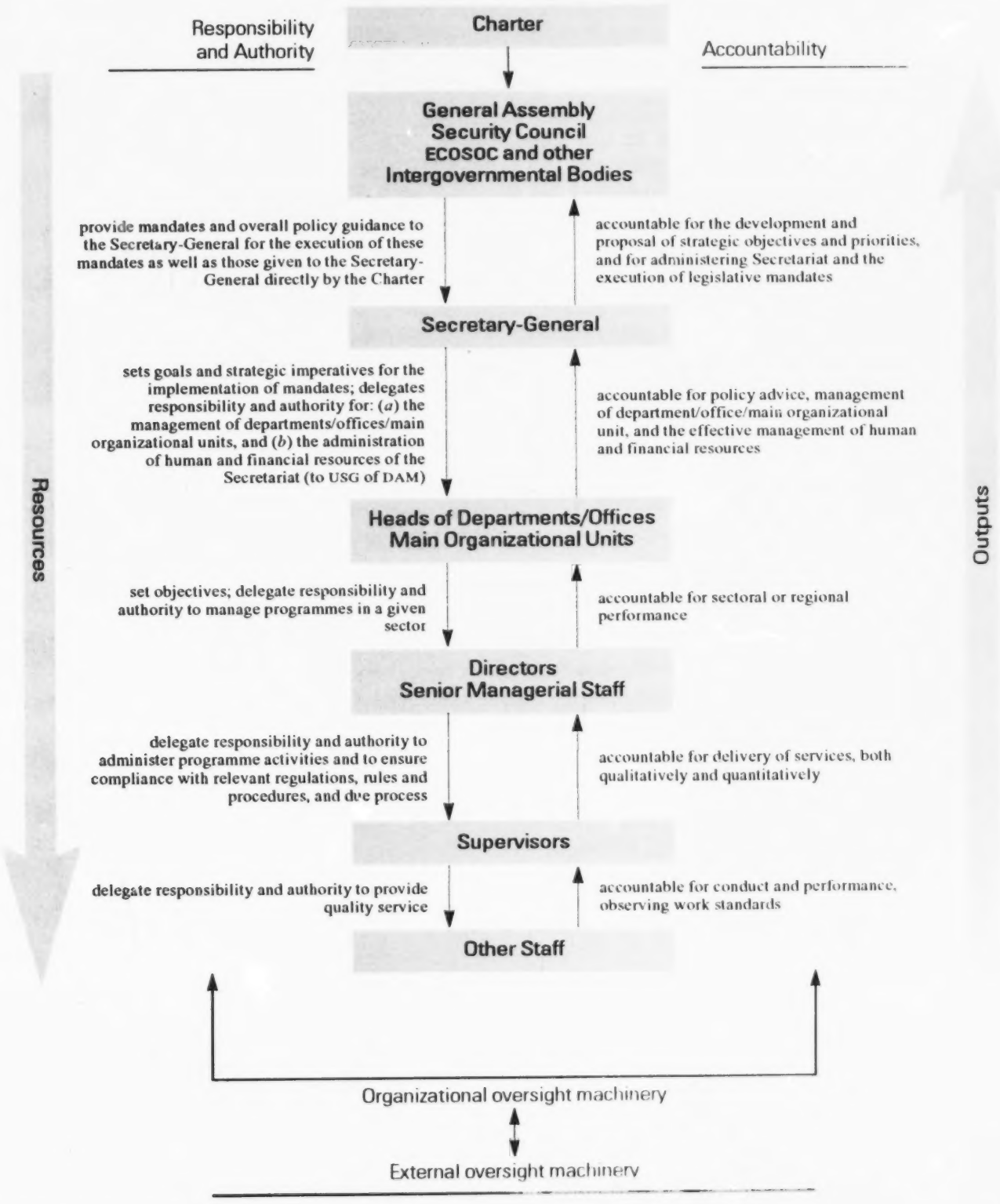
6/ A/48/640.

7/ A/AC.243/1994/L.8.

Annex

Process/system of responsibility, authority and accountability

for programme delivery and the effective management
of the human and financial resources of the Organization


Responsibility and Authority
Charter
Accountability
General Assembly
Security Council
ECOSOC and other
Intergovernmental Bodies
provide mandates and overall policy guidance to the Secretary-General for the execution of these mandates as well as those given to the Secretary-General directly by the Charter
accountable for the development and proposal of strategic objectives and priorities, and for administering Secretariat and the execution of legislative mandates
Secretary-General
sets goals and strategic imperatives for the implementation of mandates; delegates responsibility and authority for: (a) the management of departments/offices/main organizational units, and (b) the administration of human and financial resources of the Secretariat (to USG of DAM)
accountable for policy advice, management of department/office/main organizational unit, and the effective management of human and financial resources
Heads of Departments/Offices
Main Organizational Units
set objectives; delegate responsibility and authority to manage programmes in a given sector
accountable for sectoral or regional performance
Directors
Senior Managerial Staff
delegate responsibility and authority to administer programme activities and to ensure compliance with relevant regulations, rules and procedures, and due process
accountable for delivery of services, both qualitatively and quantitatively
Supervisors
delegate responsibility and authority to provide quality service
accountable for conduct and performance, observing work standards
Other Staff
Resources
Outputs
Organizational oversight machinery
External oversight machinery